

1 SENATE BILL NO. 890

2 AMENDMENT IN THE NATURE OF A SUBSTITUTE

3 (Proposed by the Senate Committee on/for _____

4 on _____)

5 (Patron Prior to Substitute--Senator Saslaw)

6 A BILL to amend and reenact §§ 2.2-1509.2, 2.2-1514, as it is currently effective and as it may become
7 effective, 5.1-2.2:2, 5.1-2.2:3, 5.1-2.16, 15.2-5928, 33.2-214, 33.2-214.4, 33.2-226, 33.2-232,
8 33.2-358, 33.2-365, 33.2-1502, 33.2-1524, 33.2-1526, 33.2-1526.1, 33.2-1527, 33.2-1528, 33.2-
9 1529.1, 33.2-1530, 33.2-1532, 33.2-1604, 33.2-1700, 33.2-1701, 33.2-1708, 33.2-1709, 33.2-
10 1803, 33.2-1803.1, 33.2-1803.1:1, 33.2-1803.2, 33.2-1809, 33.2-2300, 33.2-2301, 33.2-2400,
11 33.2-2509, 33.2-3601, 46.2-686, 46.2-694, as it is currently effective, 46.2-697, as it is currently
12 effective, 46.2-752, 46.2-1507, 46.2-1546, 46.2-1573, 58.1-608.3, 58.1-638, 58.1-638.3, as it is
13 currently effective, 58.1-802.3, 58.1-811, as it is currently effective, 58.1-815.4, as it is currently
14 effective, 58.1-816, 58.1-1741, 58.1-1743, 58.1-2217, 58.1-2249, 58.1-2289, 58.1-2295, as it is
15 currently effective, 58.1-2299.20, as it is currently effective and as it may become effective, 58.1-
16 2425, as it is currently effective and as it may become effective, 58.1-2531, and 58.1-2701, as it is
17 currently effective, of the Code of Virginia and § 2 of Chapter 8 of the Acts of Assembly of 1989,
18 Special Session II, as amended by the second enactment of Chapter 538 of the Acts of Assembly
19 of 1999 and by the first enactment of Chapter 296 of the Acts of Assembly of 2013; to amend the
20 Code of Virginia by adding in Chapter 2 of Title 33.2 an article numbered 6, consisting of sections
21 numbered 33.2-287 through 33.2-299.8, by adding a section numbered 33.2-358.1, by adding in
22 Article 5 of Chapter 3 of Title 33.2 sections numbered 33.2-372, 33.2-373, and 33.2-374, by adding
23 sections numbered 33.2-1524.1, 33.2-1524.2, 33.2-1526.1:1, 33.2-1526.1:2, 33.2-1526.1:3, and
24 33.2-1526.2 through 33.2-1526.5, by adding in Title 46.2 a chapter numbered 7, consisting of
25 sections numbered 46.2-770 through 46.2-774, and by adding a section numbered 58.1-802.4; and
26 to repeal §§ 33.2-1601, 33.2-1603, 46.2-702.1 and 46.2-702.1:1, 58.1-2217.1, and 58.1-2295.1 of

the Code of Virginia and the fifth enactments of Chapters 837 and 846 of the Acts of Assembly of 2019, relating to transportation.

Be it enacted by the General Assembly of Virginia:

1. That §§ 2.2-1509.2, 2.2-1514, as it is currently effective and as it may become effective, 5.1-2.2:2, 5.1-2.2:3, 5.1-2.16, 15.2-5928, 33.2-214, 33.2-214.4, 33.2-226, 33.2-232, 33.2-358, 33.2-365, 33.2-1502, 33.2-1524, 33.2-1526, 33.2-1526.1, 33.2-1527, 33.2-1528, 33.2-1529.1, 33.2-1530, 33.2-1532, 33.2-1604, 33.2-1700, 33.2-1701, 33.2-1708, 33.2-1709, 33.2-1803, 33.2-1803.1, 33.2-1803.1:1, 33.2-1803.2, 33.2-1809, 33.2-2300, 33.2-2301, 33.2-2400, 33.2-2509, 33.2-3601, 46.2-686, 46.2-694, as it is currently effective, 46.2-697, as it is currently effective, 46.2-752, 46.2-882, 46.2-1507, 46.2-1546, 46.2-1573, 58.1-608.3, 58.1-638, as it is currently effective, 58.1-638.3, 58.1-802.3, 58.1-811, as it is currently effective, 58.1-815.4, as it is currently effective, 58.1-816, 58.1-1741, 58.1-1743, 58.1-2217, 58.1-2249, 58.1-2289, 58.1-2295, as it is currently effective, 58.1-2299.20, as it is currently effective and as it may become effective, 58.1-2425, as it is currently effective and as it may become effective, 58.1-2531, and 58.1-2701, as it is currently effective, of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Chapter 2 of Title 33.2 an article numbered 6, consisting of sections numbered 33.2-287 through 33.2-299.8, by adding a section numbered 33.2-358.1, by adding in Article 5 of Chapter 3 of Title 33.2 sections numbered 33.2-372, 33.2-373, and 33.2-374, by adding sections numbered 33.2-1524.1, 33.2-1524.2, 33.2-1526.1:1, 33.2-1526.1:2, 33.2-1526.1:3, and 33.2-1526.2 through 33.2-1526.5, by adding in Title 46.2 a chapter numbered 7, consisting of sections numbered 46.2-770 through 46.2-774, and by adding a section numbered 58.1-802.4 as follows:

§ 2.2-1509.2. Budget Bill to include amounts diverted from Commonwealth Transportation Fund.

If any money in the ~~Highway Maintenance and Operating Fund established pursuant to § 33.2-1530 or the~~ Commonwealth Transportation Trust Fund established pursuant to § 33.2-1524 is proposed to be used for any purpose other than administering, planning, constructing, improving, and maintaining the roads embraced in the systems of highways for the Commonwealth and its localities and/or furthering the

interests of the Commonwealth in the areas of public transportation, railways, seaports, and/or airports, then the Governor, if such diversion is proposed by the Governor, shall include with any such proposal a plan for repayment of funds diverted within three years of such use in "The Budget Bill" submitted pursuant to § 2.2-1509.

If such diversion of funds from the ~~Highway Maintenance and Operating Fund or the Commonwealth Transportation Trust Fund~~ is proposed by the General Assembly as an amendment to the Budget Bill, such amendment shall include language setting out the plan for repayment of such funds within three years.

§ 2.2-1514. (Contingent expiration date) Commitment of general fund for nonrecurring expenditures.

A. As used in this section:

"The Budget Bill" means "The Budget Bill" submitted pursuant to § 2.2-1509, including any amendments to a general appropriation act pursuant to such section.

"Nonrecurring expenditures" means the acquisition or construction of capital outlay projects as defined in § 2.2-1518, the acquisition or construction of capital improvements, the acquisition of land, the acquisition of equipment, or other expenditures of a one-time nature as specified in the general appropriation act.

B. At the end of each fiscal year, the Comptroller shall commit within his annual report pursuant to § 2.2-813 as follows: 67 percent of the remaining amount of the general fund balance that is not otherwise restricted, committed, or assigned for other usage within the general fund shall be committed by the Comptroller for deposit into the Commonwealth Transportation ~~Trust~~ Fund established pursuant to § 33.2-1524 or a subfund thereof, and the remaining amount shall be committed for nonrecurring expenditures. No such commitment shall be made unless the full amounts required for other restrictions, commitments, or assignments including but not limited to (i) the Revenue Stabilization Fund deposit pursuant to § 2.2-1829, (ii) the Virginia Water Quality Improvement Fund deposit pursuant to § 10.1-2128, but excluding any deposits provided under the Virginia Natural Resources Commitment Fund established under § 10.1-2128.1, (iii) capital outlay reappropriations pursuant to the general appropriation

act, (iv)(a) operating expense reappropriations pursuant to the general appropriation act, and (b) reappropriations of unexpended appropriations to certain public institutions of higher education pursuant to § 23.1-1002, (v) pro rata rebate payments to certain public institutions of higher education pursuant to § 23.1-1002, (vi) the unappropriated balance anticipated in the general appropriation act for the end of such fiscal year, (vii) interest payments on deposits of certain public institutions of higher education pursuant to § 23.1-1002, and (viii) the Revenue Reserve Fund deposit pursuant to § 2.2-1831.2 are set aside. The Comptroller shall set aside amounts required for clauses (iv)(b), (v), and (vii) beginning with the initial fiscal year as determined under § 23.1-1002 and for all fiscal years thereafter.

C. The Governor shall include in "The Budget Bill" pursuant to § 2.2-1509 recommended appropriations from the general fund or recommended amendments to general fund appropriations in the general appropriation act in effect at that time an amount for deposit into the Commonwealth Transportation Trust Fund or a subfund thereof, and an amount for nonrecurring expenditures equal to the amounts committed by the Comptroller for such purposes pursuant to the provisions of subsection B. Such deposit to the Commonwealth Transportation Trust Fund or a subfund thereof shall not preclude the appropriation of additional amounts from the general fund for transportation purposes.

§ 2.2-1514. (Contingent effective date) Commitment of general fund for nonrecurring expenditures.

A. As used in this section:

"The Budget Bill" means "The Budget Bill" submitted pursuant to § 2.2-1509, including any amendments to a general appropriation act pursuant to such section.

"Nonrecurring expenditures" means the acquisition or construction of capital outlay projects as defined in § 2.2-1518, the acquisition or construction of capital improvements, the acquisition of land, the acquisition of equipment, or other expenditures of a one-time nature as specified in the general appropriation act.

B. At the end of each fiscal year, the Comptroller shall commit within his annual report pursuant to § 2.2-813 as follows: 67 percent of the remaining amount of the general fund balance that is not otherwise restricted, committed, or assigned for other usage within the general fund shall be committed

by the Comptroller for deposit into the Commonwealth Transportation-Trust Fund established pursuant to § 33.2-1524 or a subfund thereof, and the remaining amount shall be committed for nonrecurring expenditures. No such commitment shall be made unless the full amounts required for other restrictions, commitments, or assignments including but not limited to (i) the Revenue Stabilization Fund deposit pursuant to § 2.2-1829, (ii) the Virginia Water Quality Improvement Fund deposit pursuant to § 10.1-2128, but excluding any deposits provided under the Virginia Natural Resources Commitment Fund established under § 10.1-2128.1, (iii) capital outlay reappropriations pursuant to the general appropriation act, (iv)(a) operating expense reappropriations pursuant to the general appropriation act, and (b) reappropriations of unexpended appropriations to certain public institutions of higher education pursuant to § 23.1-1002, (v) pro rata rebate payments to certain public institutions of higher education pursuant to § 23.1-1002, (vi) the unappropriated balance anticipated in the general appropriation act for the end of such fiscal year, (vii) interest payments on deposits of certain public institutions of higher education pursuant to § 23.1-1002, and (viii) the Revenue Reserve Fund deposit pursuant to § 2.2-1831.2 are set aside. The Comptroller shall set aside amounts required for clauses (iv) (b), (v), and (vii) beginning with the initial fiscal year as determined under § 23.1-1002 and for all fiscal years thereafter.

C. The Governor shall include in "The Budget Bill" pursuant to § 2.2-1509 recommended appropriations from the general fund or recommended amendments to general fund appropriations in the general appropriation act in effect at that time an amount for deposit into the Commonwealth Transportation-Trust Fund or a subfund thereof, and an amount for nonrecurring expenditures equal to the amount committed by the Comptroller for such purpose pursuant to the provisions of subsection B. Such deposit to the Commonwealth Transportation-Trust Fund or a subfund thereof shall not preclude the appropriation of additional amounts from the general fund for transportation purposes.

§ 5.1-2.2:2. Commercial air service plan.

A. The Board shall develop and review every five years a commercial air service plan for commercial air service airports within the Commonwealth. In developing and reviewing such plan, the Board shall (i) analyze trends in commercial air service generally, (ii) analyze the current and projected future demographic and economic trends related to air travel needs in the Commonwealth, (iii) solicit

input from other appropriate stakeholders, (iv) consider any other factors determined to be appropriate by the Board, and (v) establish reasonable goals for commercial air service based on clauses (i) through (iv).

B. In developing the plan pursuant to subsection A, the Board shall coordinate with each commercial air service airport.

C. Prior to the allocation of funds pursuant to ~~subdivision A 3 of § 58.1-638~~ § 33.2-1526.4, the Board shall ensure that any requested funds are not inconsistent with the Board's commercial air service plan and that no commercial service airport is penalized for not meeting goals set forth in such commercial air service plan.

§ 5.1-2.2:3. Transparency and accountability in the use of Commonwealth Aviation Fund revenues.

A. By November 1 of each year, the Board shall report to the Governor and the General Assembly on the use of Commonwealth ~~Airport~~ Aviation Fund revenues the previous fiscal year. The report shall include at a minimum the following:

1. The use of entitlement funds allocated pursuant to ~~subdivision A 3 a of § 58.1-638~~ B 1 of § 33.2-1526.4 by each air carrier airport, including the amount of funds that are unobligated;

2. The award and use of discretionary funds allocated for air carrier and reliever airports pursuant to ~~subdivision A 3 b (1) (a) of § 58.1-638~~ B 2 a (1) of § 33.2-1526.4 by every such airport;

3. The award and use of discretionary funds allocated for general aviation airports pursuant to ~~subdivision A 3 b (1) (b) of § 58.1-638~~ B 2 a (2) of § 33.2-1526.4 by every such airport; and

4. The award and use of discretionary funds allocated for all airports pursuant to ~~subdivision A 3 b (2) of § 58.1-638~~ B 2 b of § 33.2-1526.4 by every such airport.

Such report shall also include the status of ongoing projects funded in whole or in part by the Commonwealth ~~Airport~~ Aviation Fund pursuant to ~~subdivision A 3 of § 58.1-638~~ § 33.2-1526.4.

B. Each year prior to the release of entitlement funds allocated pursuant to ~~subdivision A 3 a of § 58.1-638~~ B 1 of § 33.2-1526.4, each air carrier airport shall submit a plan that outlines the planned use of such funds for the upcoming fiscal year to the Board for review and approval. The Board shall approve

such plan provided that the use of funds is in accordance with Board policies. An airport may modify its plan during a fiscal year by submitting a revised plan to the Board for review.

C. The Board shall have the right to withhold entitlement funds allocated pursuant to subdivision ~~A 3 a of § 58.1-638~~ B 1 of § 33.2-1526.4 in the event that the entitlement utilization plan is not approved by the Board or the airport uses the funds in a manner that is inconsistent with the approved plan.

§ 5.1-2.16. Grants or loans of public or private funds.

The Board is authorized to accept, receive, receipt for, disburse, and expend federal and state moneys and other moneys, public or private, made available by grant or loan or both, to accomplish, in whole or in part, any of the purposes of this chapter. All federal moneys accepted under this section shall be accepted and expended by the Board upon such terms and conditions as are prescribed by the United States and as are consistent with state law, and all state moneys accepted under this section shall be accepted and expended by the Board upon such terms and conditions as are prescribed by the Commonwealth. State moneys allocated pursuant to ~~subdivision A 3 of § 58.1-638~~ § 33.2-1526.4 shall not be used for (i) operating costs unless otherwise approved by the Board or (ii) purposes related to supporting the operation of an airline, either directly or indirectly, through grants, credit enhancements, or other related means.

In considering or evaluating the application for or award of any grant of moneys under this section, the Board shall take into account the capacities of all airports within the affected geographic region.

§ 15.2-5928. Definitions.

As used in this chapter, unless the context requires a different meaning:

"City" or "City of Virginia Beach" means the City of Virginia Beach or the City of Virginia Beach Development Authority.

"Sales and use tax revenues" means tax collections under the Virginia Retail Sales and Use Tax Act (§ 58.1-600 et seq.), as limited herein, generated by transactions taking place upon the premises of a sports or entertainment project, including transactions generating revenues in connection with the development and construction of such project that would not be generated but for the existence of such project. For purposes of this chapter, "sales and use tax revenues" does not include the revenue generated

by (i) the one-half percent sales and use tax increase enacted by Chapters 11, 12, and 15 of the Acts of Assembly of 1986, Special Session I, which shall be paid into the Commonwealth Transportation Trust Fund as defined in § 33.2-1524; (ii) the one percent of the state sales and use tax revenue distributed among the counties and cities of the Commonwealth pursuant to subsection D of § 58.1-638 on the basis of school-age population; and (iii) the additional state sales and use tax in certain counties and cities assessed pursuant to Chapter 766 of the Acts of Assembly of 2013 and any amendments thereto.

"Sports and entertainment district" means the geographic area in the City of Virginia Beach located south of 21st Street, north of Norfolk Avenue, east of Birdneck Road, and west of Atlantic Avenue.

"Sports or entertainment project" means a project including sports facilities, entertainment facilities, or both, representing at least \$100 million of investment in the sports and entertainment district of the City of Virginia Beach, including any office, restaurant, concessions, retail, residential, and lodging facilities that are owned and operated adjacent to or in connection with such sports or entertainment project; film and sound studios and any other sports or entertainment-related infrastructure; and any other directly related properties, including onsite and offsite parking lots, garages, and other properties. "Sports or entertainment project" includes multiple facilities located on multiple properties, provided that such facilities share a nexus of ownership or management.

§ 33.2-214. Transportation; Six-Year Improvement Program.

A. The Board shall have the power and duty to monitor and, where necessary, approve actions taken by the Department of Rail and Public Transportation pursuant to Article 5 (§ 33.2-281 et seq.) in order to ensure the efficient and economical development of public transportation, the enhancement of rail transportation, and the coordination of such rail and public transportation plans with highway programs.

B. The Board shall have the power and duty to coordinate the planning for financing of transportation needs, including needs for highways, railways, seaports, airports, and public transportation and set aside funds as provided in ~~§ 33.2-1524~~ § 33.2-1524.1. To allocate funds for these needs pursuant to ~~§§ § 33.2-358 and 58.1-638~~ Chapter 15 (§ 33.2-1500 et seq.), the Board shall adopt a Six-Year Improvement Program of anticipated projects and programs by July 1 of each year. This program shall be

based on the most recent official Commonwealth Transportation ~~Trust~~ Fund revenue forecast and shall be consistent with a debt management policy adopted by the Board in consultation with the Debt Capacity Advisory Committee and the Department of the Treasury.

C. The Board shall have the power and duty to enter into contracts with local districts, commissions, agencies, or other entities created for transportation purposes.

D. The Board shall have the power and duty to promote increasing private investment in the Commonwealth's transportation infrastructure, including acquisition of causeways, bridges, tunnels, highways, and other transportation facilities.

E. The Board shall only include a project or program wholly or partially funded with funds from the State of Good Repair Program pursuant to § 33.2-369, the High Priority Projects Program pursuant to § 33.2-370, ~~or~~ the Highway Construction District Grant Programs pursuant to § 33.2-371, or the Interstate Operations and Enhancement Program pursuant to § 33.2-373 in the Six-Year Improvement Program if the allocation of funds from those programs and other funding committed to such project or program within the six-year horizon of the Six-Year Improvement Program is sufficient to complete the project or program. The provisions of this subsection shall not apply to any project (i) the design and construction of which cannot be completed within six years, (ii) the estimated costs of which exceed \$2 billion, and (iii) that requires the Board to exercise its authority to waive the funding cap pursuant to subsection B of § 33.2-369.

F. The Board shall have the power and duty to integrate land use with transportation planning and programming, consistent with the efficient and economical use of public funds. If the Board determines that a local transportation plan described in § 15.2-2223 or any amendment as described in § 15.2-2229 or a metropolitan regional long-range transportation plan or regional Transportation Improvement Program as described in § 33.2-3201 is not consistent with the Board's Statewide Transportation Plan developed pursuant to § 33.2-353, the Six-Year Improvement Program adopted pursuant to subsection B, and the location of routes to be followed by roads comprising systems of state highways pursuant to subsection A of § 33.2-208, the Board shall notify the locality of such inconsistency and request that the applicable plan or program be amended accordingly. If, after a reasonable time, the Board determines that

there is a refusal to amend the plan or program, then the Board may reallocate funds that were allocated to the nonconforming project as permitted by state or federal law. However, the Board shall not reallocate any funds allocated pursuant to § 33.2-319 or 33.2-366, based on a determination of inconsistency with the Board's Statewide Transportation Plan or the Six-Year Improvement Program nor shall the Board reallocate any funds, allocated pursuant to subsection C or D of § 33.2-358, from any projects on highways controlled by any county that has withdrawn, or elects to withdraw, from the secondary system of state highways based on a determination of inconsistency with the Board's Statewide Transportation Plan or the Six-Year Improvement Program. If a locality or metropolitan planning organization requests the termination of a project, and the Department does not agree to the termination, or if a locality or metropolitan planning organization does not advance a project to the next phase of construction when requested by the Board and the Department has expended state or federal funds, the locality or the localities within the metropolitan planning organization may be required to reimburse the Department for all funds expended on the project. If, after design approval by the Chief Engineer of the Department, a locality or metropolitan planning organization requests alterations to a project that, in the aggregate, exceeds 10 percent of the total project costs, the locality or the localities within the metropolitan planning organization may be required to reimburse the Department for the additional project costs above the original estimates for making such alterations.

§ 33.2-214.4. Statewide prioritization for the Commonwealth Mass Transit Fund.

A. 1. The Board shall develop a prioritization process for the use of funds allocated pursuant to subdivision ~~C~~ D 2 of § 33.2-1526.1. Such prioritization process shall be used for the development of the Six-Year Improvement Program adopted annually by the Board pursuant to § 33.2-214. There shall be a separate prioritization process for state of good repair projects and major expansion projects. The prioritization process shall, for state of good repair projects, be based upon transit asset management principles, including federal requirements for Transit Asset Management pursuant to 49 U.S.C. § 5326. The prioritization process shall, for major expansion projects, be based on an objective and quantifiable analysis that considers the following factors relative to the cost of a major expansion project: congestion mitigation, economic development, accessibility, safety, environmental quality, and land use.

269 2. The Board shall solicit input from localities, metropolitan planning organizations, transit
270 authorities, transportation authorities, and other stakeholders in its development of the prioritization
271 process pursuant to this subsection. Further, the Board shall explicitly consider input provided by an
272 applicable metropolitan planning organization or the Northern Virginia Transportation Authority when
273 developing the prioritization process set forth in subdivision 1 for a metropolitan planning area with a
274 population of over 200,000 individuals.

275 B. 1. The Board shall create for the Department of Rail and Public Transportation a Transit Service
276 Delivery Advisory Committee, consisting of two members appointed by the Virginia Transit Association,
277 one member appointed by the Community Transportation Association of Virginia, one member appointed
278 by the Virginia Municipal League, one member appointed by the Virginia Association of Counties, and
279 three members appointed by the Director of the Department of Rail and Public Transportation, to advise
280 the Department of Rail and Public Transportation in the development of the process set forth in subdivision
281 2. The Transit Service Delivery Advisory Committee shall elect a chairman from among its membership.
282 The Department of Rail and Public Transportation shall provide administrative support to the Transit
283 Service Delivery Advisory Committee. The Transit Service Delivery Advisory Committee shall meet at
284 least annually and consult with interested stakeholders and hold at least one public hearing and report its
285 findings to the Director of the Department of Rail and Public Transportation.

286 2. The Department of Rail and Public Transportation, in conjunction with the Transit Service
287 Delivery Advisory Committee, shall develop a process for the distribution of the funds allocated pursuant
288 to subdivision ~~C-4~~ D 1 of § 33.2-1526.1 and the incorporation by transit systems of the service delivery
289 factors set forth therein into their transit development plans. Prior to the Board approving service delivery
290 factors, the Director of the Department of Rail and Public Transportation and the Chairman of the Transit
291 Service Delivery Advisory Committee shall brief the House Committees on Appropriations and
292 Transportation and the Senate Committees on Finance and Transportation regarding the findings and
293 recommendations of the Transit Service Delivery Advisory Committee and the Department of Rail and
294 Public Transportation. Before redefining any component of the service delivery factors, the Board shall
295 consult with the Director of the Department of Rail and Public Transportation, the Transit Service Delivery

296 Advisory Committee, and interested stakeholders, and shall provide for a 45-day public comment period.
297 The process required to be delivered by this subsection shall be adopted no later than July 1, 2019, and
298 shall apply beginning with the fiscal year 2020-2025 Six-Year Improvement Program.

299 **§ 33.2-226. Authority to lease or convey airspace.**

300 The Commissioner of Highways may lease or sell and convey the airspace superjacent or subjacent
301 to any highway in the Commonwealth that is within his jurisdiction and in which the Commonwealth
302 owns fee simple title after satisfying itself that use of the airspace will not impair the full use and safety
303 of the highway or otherwise interfere with the free flow of traffic thereon and it cannot be reasonably
304 foreseen as needed in the future for highway and other transit uses and purposes. The Commissioner of
305 Highways may provide in such leases and conveyances of airspace for columns of support, in fee or
306 otherwise, ingress, egress, and utilities.

307 No lease or conveyance shall be entered into by the Commissioner of Highways unless the locality,
308 by action of its governing body by majority recorded vote, approves the projected use of the airspace in
309 question and has taken such steps as it deems proper to regulate the type and use of the improvements to
310 be erected in such airspace by appropriate zoning or other method of land use control.

311 All leases and conveyances shall contain those terms deemed necessary by the Commissioner of
312 Highways to protect the interests of the Commonwealth and the public. The Commissioner of Highways
313 may utilize any competitive procurement process authorized by law, including (i) competitive sealed
314 bidding, (ii) competitive negotiation, (iii) best value procurements as defined in § 2.2-4301, and (iv)
315 public-private partnerships pursuant to the Public-Private Transportation Act of 1995 (§ 33.2-1800 et
316 seq.), as determined by the Commissioner of Highways, in his sole discretion, to be appropriate and the
317 method most likely to achieve the identified goals of the proposed lease or sale and conveyance of
318 airspace. The Commissioner of Highways may reject any bid or offer that he believes is not in the best
319 interest of the Commonwealth.

320 Compensation paid for such leases and conveyances shall be credited to the Priority Transportation
321 ~~Trust~~ Fund established pursuant to ~~§ 33.2-1524~~ § 33.2-1527.

§ 33.2-232. Biennial reports by Commissioner of Highways and the Office of Intermodal Planning and Investment.

A. The Secretary of Transportation shall ensure that the reports required under subsections B and C are provided in writing to the Governor, the General Assembly, and the Commonwealth Transportation Board by the dates specified.

B. The Commissioner of Highways shall provide to each recipient specified in subsection A, no later than November 1 of each even-numbered year, a report, the content of which shall be specified by the Board and shall contain, at a minimum:

1. The methodology used to determine maintenance needs, including an explanation of the transparent methodology used for the allocation of funds from the Highway Maintenance and Operating Fund pursuant to subsection A of § 33.2-352;

2. The methodology approved by the Board for the allocation of funds for state of good repair purposes as defined in § 33.2-369 and, if necessary, an explanation and rationale for any waiver of the cap provided for in subsection B of § 33.2-369;

3. The expenditures from the Highway Maintenance and Operating Program for the past fiscal year by asset class or activity and by construction district as well as the planned expenditure for the current fiscal year;

4. A description of transportation systems management and operations in the Commonwealth and the operating condition of primary and secondary state highways, including location and average duration of incidents;

5. A listing of prioritized pavement and bridge needs based on the priority ranking system developed by the Board pursuant to § 33.2-369 and a description of the priority ranking system;

6. A description of actions taken to improve highway operations within the Commonwealth, including the use of funds in the Innovation and Technology Transportation Fund established pursuant to § 33.2-1531; ~~and~~

7. The use of funds in the Robert O. Norris Bridge and Statewide Special Structure Fund established pursuant to § 33.2-1532; and

349 8. A review of the Department's collaboration with the private sector in delivering services.

350 C. The Office of Intermodal Planning and Investment of the Secretary of Transportation shall
351 provide to each recipient specified in subsection A, no later than November 1 of each odd-numbered year,
352 a report, the content of which shall be specified by the Board and shall contain, at a minimum:

353 1. A list of transportation projects approved or modified during the prior fiscal year, including
354 whether each such project was evaluated pursuant to § 33.2-214.1 and the program from which each such
355 project received funding;

356 2. The results of the most recent project evaluations pursuant to § 33.2-214.1, including a
357 comparison of (i) projects selected for funding with projects not selected for funding, (ii) funding allocated
358 by district and by mode of transportation, and (iii) the size of projects selected for funding;

359 3. The current performance of the Commonwealth's surface transportation system, the targets for
360 future performance, and the progress toward such targets based on the measures developed pursuant to §
361 2.2-229;

362 4. The status of the Virginia Transportation Infrastructure Bank, including the balance in the Bank,
363 funding commitments made over the prior fiscal year, and performance of the current loan portfolio;

364 5. The status of the Toll Facilities Revolving Account, including the balance in the account, project
365 commitments from the account, repayment schedules, and the performance of the current loan portfolio;
366 and

367 6. Progress made toward achieving the performance targets established by the Commonwealth
368 Transportation Board.

369 D. The purpose of the reports required pursuant to this section is to ensure transparency and
370 accountability in the use of transportation funds. Reports required by this section shall be made available
371 to the public on the website of the Commonwealth Transportation Board.

372 Article 6.

373 Virginia Passenger Rail Authority Act.

374 § 33.2-287. Definitions.

375 As used in this article, unless the context requires a different meaning:

376 "Authority" means the Virginia Passenger Rail Authority.

377 "Board" means the Board of Directors of the Authority.

378 "Bonds" means the revenue notes, bonds, certificates and other evidences of indebtedness or
379 obligations of the Authority.

380 "Cost" means, as applied to rail facilities, (i) the cost of construction; (ii) the cost of acquisition of
381 all lands, structures, fixtures, rights-of-way, franchises, easements, and other property rights and interests;
382 (iii) the cost of demolishing, removing, or relocating any buildings, structures, or fixtures on lands
383 acquired, including the cost of acquiring any lands to which such buildings, structures, or fixtures may be
384 moved or relocated; (iv) the cost of all labor, materials, machinery, and equipment; (v) financing charges
385 and interest on all bonds prior to and during construction and for one year after completion of construction;
386 (vi) the cost of engineering, financial, and legal services, plans, specifications, studies, surveys, estimates
387 of cost and of revenues, and other expenses incidental to determining the feasibility of acquiring,
388 constructing, operating, or maintaining rail facilities; (vii) administrative expenses, provisions for working
389 capital, reserves for interest and for extensions, enlargements, additions, and improvements; and (viii)
390 such other expenses as may be necessary or incidental to the acquisition, construction, financing,
391 operations, and maintenance of rail facilities. Any obligation or expense incurred by the Commonwealth
392 or any agency thereof for studies, surveys, borings, preparation of plans, and specification or other work
393 or materials in the acquisition or construction of rail facilities may be regarded as a part of the cost of rail
394 facilities and may be reimbursed to the Commonwealth or any agency thereof out of the proceeds of the
395 bonds issued for such rail facilities as herein authorized.

396 "Department" means the Department of Rail and Public Transportation.

397 "Rail facilities" means the assets consisting of the real, personal, or mixed property, or any interest
398 in that property, whether tangible or intangible, that are determined to be necessary or convenient for the
399 provision of passenger rail service. "Rail facilities" includes all property or interests necessary or
400 convenient for the acquiring, providing, using, equipping, or maintaining of a rail facility or system,
401 including right-of-way, trackwork, train controls, stations, and maintenance facilities.

402 "Transportation Board" means the Commonwealth Transportation Board.

§ 33.2-288. Declaration of public purpose; Virginia Passenger Rail Authority.

A. The General Assembly finds and determines that (i) it is the policy of the Commonwealth to improve, identify, encourage, and promote new approaches to economic development throughout the Commonwealth; (ii) passenger rail travel and services are integral to the economic development and expansion of the Commonwealth's economy; and (iii) there exists in the Commonwealth a need to increase passenger rail capacity in the Commonwealth and improve passenger rail services.

B. In order to increase passenger rail capacity and improve passenger rail services and to promote the industrial and economic development of the Commonwealth, there is hereby created a body corporate and political subdivision of the Commonwealth to be known as the "Virginia Passenger Rail Authority." The Authority is hereby constituted as a public instrumentality exercising public and essential governmental functions, and the exercise of powers conferred by this article shall be deemed to be the performance of an essential governmental function and matters of public necessity for which public moneys may be spent and private property acquired.

C. The purpose of the Authority shall be to promote, sustain, and expand the availability of passenger and commuter rail service in the Commonwealth and to increase ridership of such service by connecting population centers with passenger and commuter rail service and increasing availability of such service.

§ 33.2-289. Board of Directors.

A. The Authority shall be governed by the Board of Directors of the Authority consisting of 11 members as follows: (i) eight nonlegislative citizen members, appointed by the Governor, who shall serve with voting privileges; (ii) one nonlegislative citizen member appointed by the Governor who shall represent the National Passenger Railroad Corporation and who shall serve without voting privileges; (iii) the chief executive officer of a commuter rail service jointly operated by the Northern Virginia Transportation District established pursuant to § 33.2-1904 and the Potomac Rappahannock Transportation District established pursuant to the Transportation District Act (§ 33.2-1900 et seq.), who shall serve ex officio without voting privileges; and (iv) the Director of the Department who shall serve

ex officio and shall have voting privileges only in the event of a tie. Of the eight nonlegislative citizen members with voting privileges:

1. Two members shall reside within the boundaries of the Northern Virginia Transportation District established pursuant to § 33.2-1904;

2. Two members shall reside within the boundaries of the Potomac-Rappahannock Transportation District established pursuant to the Transportation District Act of 1964 (§ 33.2-1900 et seq.);

3. Two members shall reside within the boundaries of the Richmond Metropolitan Transportation Authority established pursuant to Chapter 29 (§ 33.2-2900 et seq.);

4. One member shall reside within the boundaries of the Hampton Roads Transportation Accountability Commission established pursuant to Chapter 26 (§ 33.2-2600 et seq.); and

5. One member shall reside within the boundaries of Planning District 5, 9, 10, or 11.

B. The nonlegislative citizen members appointed by the Governor shall be subject to confirmation by the General Assembly. Vacancies shall be filled by appointment by the Governor for the unexpired term and shall be effective until 30 days after the next meeting of the ensuing General Assembly and, if confirmed, thereafter for the remainder of the term. No member shall be eligible to serve more than two consecutive four-year terms. The remainder of any term for which a member is appointed to fill a vacancy shall not constitute a term in determining that member's eligibility for reappointment. No member of a governing body of a locality shall be eligible, during the term of office for which he was elected or appointed, to serve as an appointed member of the Board. The Director shall serve terms coincident with his term of office.

C. The Director of the Department shall serve as chairman of the Board. The Board shall annually elect from among its members a vice-chairman and a secretary. The Board shall also annually elect a treasurer, who need not be a member of the Board, and may also elect other subordinate officers who need not be a member of the Board, as it deems proper. The chairman or, in his absence, the vice-chairman shall preside at all meetings of the Board. In the absence of both the chairman and vice-chairman, the Board shall appoint a chairman pro tempore, who shall preside at such meetings.

455 D. Five members shall constitute a quorum for the transaction of the Authority's business, and no
456 vacancy in the membership shall impair the right of a quorum to exercise all the rights and perform all the
457 duties of the Authority. All actions of the Board shall require the affirmative vote of a majority of the
458 members present and voting, except that the sale of land or issuance of bonds shall require an affirmative
459 vote of six members present and voting.

460 E. The Board shall meet at least once quarterly. The Board shall determine the times and places of
461 its regular meetings. Special meetings of the Board shall be held when requested by three or more members
462 of the Board. Any such request for a special meeting shall be in writing, and the request shall specify the
463 time and place of the meeting and the matters to be considered at the meeting. A reasonable effort shall
464 be made to provide each member with notice of any special meeting. No matter not specified in the notice
465 shall be considered at such special meeting unless all members of the Board are present.

466 F. The members of the Board shall be entitled to reimbursement for their reasonable travel, meal,
467 and lodging expenses incurred in attending the meetings of the Board or while otherwise engaged in the
468 discharge of their duties. Such expenses shall be paid out of the treasury of the Authority upon vouchers
469 signed by the chairman of the Board or by such other person or persons as may be designated by the Board
470 for this purpose.

471 **§ 33.2-290. Executive Director; agents and employees.**

472 A. The Board shall employ an Executive Director of the Authority, who shall not be a member of
473 the Board and who shall serve at the pleasure of the Board, to direct the day-to-day operations and
474 activities of the Authority and carry out the powers and duties conferred upon him as may be delegated to
475 him by the Board. The Executive Director's compensation from the Commonwealth shall be fixed by the
476 Board in accordance with law. This compensation shall be established at a level that will enable the
477 Authority to attract and retain a capable Executive Director.

478 B. The Executive Director shall employ or retain such other agents or employees subordinate to
479 the Executive Director as may be necessary, subject to the Board's approval.

480 C. Employees of the Authority shall be employed on such terms and conditions as established by
481 the Authority and shall be considered employees of the Commonwealth. Employees of the Authority shall

be eligible for membership in the Virginia Retirement System or other retirement plans authorized by Article 4 (§ 51.1-125 et seq.) of Chapter 1 of Title 51.1 and participation in all health and related insurance and other benefits, including premium coverage and flexible benefits, available to state employees and provided by law. The Board shall develop and adopt personnel rules, policies, and procedures to give its employees grievance rights, ensure that employment decisions shall be based upon merit and fitness of applicants, and prohibit discrimination on the basis of race, religion, color, national origin, sex, pregnancy, child birth or related medical conditions, age, sexual orientation, marital status, or disability. Notwithstanding any other provision of law, the Board shall develop, implement, and administer a paid leave program, which may include annual, personal, and sick leave or any combination thereof. All other leave benefits shall be administered in accordance with Chapter 11 (§ 51.1-1100 et seq.) or Chapter 11.1 (§ 51.1-1150 et seq.) of Title 51.1, except as otherwise provided in this section.

§ 33.2-291. Local authorities subordinate to Authority.

Any conflict between any authority granted to localities or other entities of the Commonwealth, other than the Transportation Board and the Department, with respect to the ownership or use of rail facilities or the provision of passenger rail service, or the exercise of that authority, and the exercise of the authority granted by the Board under this article shall be resolved in favor of the exercise of such authority by the Board. Rights-of-way transferred to the Authority from a railroad shall not be subject to the requirements of any local ordinances enacted pursuant to Chapter 22 (§ 15.2-2200 et seq.) of Title 15.2.

§ 33.2-292. Powers of the Authority.

A. The Authority, in addition to other powers enumerated in this article, is hereby granted and shall have and may exercise all powers necessary or convenient for the carrying out of its statutory purposes, including, but without limiting the generality of the foregoing, the power to:

1. Make and adopt bylaws, rules, and regulations;
2. Adopt, use, and alter at will a common seal;
3. Maintain offices;
4. Sue and be sued, implead and be impleaded, complain, and defend in all courts in its own name;
5. Grant others the privilege to design, build, finance, operate, and maintain rail facilities;

509 6. Grant others the privilege to operate concessions, leases, and franchises, including but not
510 limited to the accommodation and comfort of persons using rail facilities and the provision of ground
511 transportation services and parking facilities for such persons;

512 7. Borrow money and issue bonds to finance and refinance rail facilities pursuant to § 33.2-294;
513 and pledge or otherwise encumber all or any of the revenues or receipts of the Authority as security for
514 all or any of the obligations of the Authority, subject to the limitations in subsection J of § 33.2-294.

515 8. Fix, alter, charge, and collect fees, rates, rentals, and other charges for the use of rail facilities,
516 the sale of products, or services rendered by the Authority at rates to be determined by it for the purpose
517 of providing for the payment of (i) expenses of the Authority; (ii) the costs of planning, development,
518 construction, improvement, rehabilitation, repair, furnishing, maintenance, and operation of its rail
519 facilities and properties; (iii) the costs of accomplishing its purposes set forth in § 33.2-288; and (iv) the
520 principal of and interest on its obligations, and the funding of reserves for such purposes, and the costs of
521 maintaining, repairing, and operating any rail facilities and fulfilling the terms and provisions of any
522 agreement made with the purchasers or holders of any such obligations;

523 9. Make and enter into all contracts and agreements necessary or incidental to the performance of
524 its duties, the furtherance of its purposes, and the execution of its powers under this article, including
525 interstate compacts and agreements with any person, federal agency, or political subdivision of the
526 Commonwealth;

527 10. Employ, in its discretion, consultants, attorneys, architects, engineers, accountants, financial
528 experts, investment bankers, superintendents, managers, and such other employees and agents as may be
529 necessary and fix their compensation to be payable from funds lawfully available to the Authority;

530 11. Appoint advisory committees as may be necessary for the performance of its duties, the
531 furtherance of its purposes, and the execution of its powers under this article;

532 12. Vacate or change location of any portion of any public highway, street, public way, public
533 utility, sewer, pipe, main, conduit, cable, wire, tower pole, or other equipment of the Commonwealth and
534 its political subdivisions and reconnect the same in a new location;

535 13. Enter upon lands, waters, and premises for surveys, soundings, borings, examinations, and
536 other activities as may be necessary for the performance of its duties;

537 14. Receive and accept from any federal or private agency, foundation, corporation, association,
538 or person grants, donations of money or real or personal property for the benefit of the Authority and
539 receive and accept from the Commonwealth or any state, and any municipality, county, or other political
540 subdivision thereof and from any other source, aid or contributions of either money, property, or other
541 things of value to be held, used, and applied for the purposes for which such grants and contributions may
542 be made, provided that any federal moneys so received and accepted shall be accepted and expended by
543 the Authority upon such terms and conditions as are prescribed by the United States and as are consistent
544 with the laws of the Commonwealth and any state moneys so received shall be accepted and expended by
545 the Authority upon such terms and conditions as are prescribed by the Commonwealth;

546 15. Accept loans from the federal government, the state government, regional authorities,
547 localities, and private sources, provided that any federal moneys so accepted shall be accepted and
548 expended by the Authority upon such terms and conditions as are prescribed by the United States and as
549 are consistent with laws of the Commonwealth and any state moneys so accepted shall be accepted and
550 expended by the Authority upon such terms and conditions as are prescribed by the Commonwealth;

551 16. Lease or sell and convey the airspace superadjacent or subadjacent to any rail facility owned
552 by the Authority;

553 17. Pledge or otherwise encumber all or any of the revenues or receipts of the Authority as security
554 for all or any of the obligations of the Authority;

555 18. Participate in joint ventures with individuals, domestic or foreign stock and nonstock
556 corporations, limited liability companies, partnerships, limited partnerships, associations, foundations, or
557 other supporting organizations or other entities for providing passenger rail or related services or other
558 activities that the Authority may undertake to the extent that such undertakings assist the Authority in
559 carrying out the purposes and intent of this article;

19. Act as a "responsible public entity" for the purposes of the acquisition, construction, improvement, maintenance, or operation, or any combination thereof, of a "qualifying transportation facility" under the Public-Private Partnership Transportation Act of 1995 (§ 33.2-1800 et seq.); and

20. Undertake all actions necessary and convenient to carry out the powers granted herein.

B. Notwithstanding the provisions of this section, the Authority shall not directly operate any passenger, commuter, or other rail service.

§ 33.2-293. Acquisition, possession, and disposition of rail facilities; eminent domain.

A. The Authority shall have the right to acquire by purchase, lease, or grant rail facilities and other lands, structures, property, both real and personal, tangible and intangible, rights, rights-of-way, franchises, easements, and other interests therein, whether located within or not within the geographic boundaries of the Commonwealth, for the construction, operation, maintenance, and use of rail facilities.

B. The Authority shall have the right to hold and dispose of rail facilities and other lands, structures, property, both real and personal, tangible and intangible, rights, rights-of-way, franchises, easements, and other interests therein in the exercise of its powers and the performance of its duties under this article, including but not limited to the sale, exchange, lease, mortgage, or pledge of such property or interest therein, provided that any such disposition that involves property or interests with a fair market value in excess of \$5 million shall require the consent of the Transportation Board.

C. The Commonwealth and any agencies or political subdivisions thereof may provide services, donate, lease, sell, convey, or otherwise transfer, with or without consideration or for minimal consideration, real or personal property and make appropriations to the Authority for the design, acquisition, construction, equipping, maintenance, and operation of rail facilities and may issue bonds in the manner provided in the Public Finance Act (§ 15.2-2600 et seq.) or in its municipal charter for the purpose of providing funds to be appropriated to the Authority; the Authority may agree to assume, or reimburse such a political subdivision for, any indebtedness incurred by such political subdivision with respect to facilities conveyed by it to the Authority.

D. The Authority is authorized to acquire by the exercise of the power of eminent domain any lands, property rights, rights-of-way, franchises, easements, and other property, including public lands,

parks, playgrounds, reservations, highways, or parkways, or parts thereof or rights therein, of any person, partnership, association, railroad, public service, public utility, or other corporation, or of any municipality, county, or other political subdivision, deemed necessary or convenient for the construction or the efficient operation of rail facilities or necessary in the restoration, replacement, or relocation of public or private property damaged or destroyed whenever a reasonable price cannot be agreed upon with the governing body of such municipality, county, or other political subdivision as to such property owned by it or whenever the Authority cannot agree on the terms of purchase or settlement with the other owners because of the incapacity of such owners, because of the inability to agree on the compensation to be paid or other terms of settlement or purchase, or because such owners are nonresidents of the Commonwealth, are unknown, or are unable to convey valid title to such property. Such proceedings shall be in accordance with and subject to the provisions of any and all laws of the Commonwealth applicable to the exercise of the power of eminent domain and subject to the provisions of Chapter 2 (§ 25.1-200 et seq.) of Title 25.1. Title to any property condemned by the Authority shall immediately vest in the Authority, and the Authority shall be entitled to the immediate possession of such property upon the deposit with the clerk of the court in which such condemnation proceedings are originated of the total amount of the appraised price of the property and court costs and fees as provided by law, notwithstanding that any of the parties to such proceedings may appeal from any decision in such condemnation proceedings. Whenever the Authority makes such deposit in connection with any condemnation proceedings, the making of such deposit shall not preclude the Authority from appealing any decision rendered in such proceedings. Upon the deposit with the clerk of the court of the appraised price, any person entitled thereto may, upon petition to the court, be paid his or their pro rata share of 100 percent of such appraised price. The acceptance of such payment shall not preclude such person from appealing any decision rendered in such proceedings. If the appraisal is greater or less than the amount finally determined by the decision in such proceedings or by an appeal, the amount of the increase or decrease shall be paid or refunded to the Authority.

E. The acquisition of any such property by condemnation or by the exercise of the power of eminent domain for the purposes provided herein shall be and is declared to be a public use of such property.

614 F. For purposes of this section, the terms "appraised price" and "appraisal" mean the value
615 determined by two competent real estate appraisers appointed by the Authority for such purposes.

616 **§ 33.2-294. Issuance of bonds.**

617 A. The Authority may issue bonds from time to time in its discretion, for any of its purposes,
618 including the payment of all or any part of the cost of rail facilities. Notwithstanding the foregoing, any
619 bonds issued to pay for the initial funding of capital expenditures shall be limited to financing capital
620 expenditures submitted for approval by the Transportation Board as set forth in § 33.2-298.

621 B. The Authority may issue refunding bonds for the purpose of refunding any bonds then
622 outstanding that shall have been issued under the provisions of this article, including the payment of any
623 redemption premium thereon and any interest accrued or to accrue to the date fixed for redemption of such
624 bonds. The issuance of such bonds, the maturities and other details thereof, the rights of the holders
625 thereof, and the rights, duties, and obligations of the Authority in respect of the same shall be governed
626 by the provisions of this article insofar as the same may be applicable.

627 C. The bonds of each issue shall be dated such date as may be determined by the Authority; shall
628 bear interest at such rate or rates as shall be fixed by the Authority, or as may be determined in such
629 manner as the Authority may provide, including the determination by agents designated by the Authority
630 under guidelines established by the Authority; shall mature at such time or times not exceeding 40 years
631 from their date or dates, as may be determined by the Authority; and may be made redeemable before
632 maturity, at the option of the Authority, at such price or prices and under such terms and conditions as
633 may be fixed by the Authority prior to the issuance of the bonds.

634 D. The Authority shall determine the form of the bonds and manner of execution of the bonds and
635 shall fix the denomination or denominations of the bonds and the place or places of payment of principal
636 and interest, which may be at any bank or trust company within or outside the Commonwealth. The bonds
637 shall be signed by the chairman or vice-chairman of the Authority or, if so authorized by the Authority,
638 shall bear his facsimile signature and the official seal of the Authority, or, if so authorized by the Authority,
639 a facsimile thereof shall be impressed or imprinted thereon and attested by the secretary or any assistant
640 secretary of the Authority, or, if so authorized by the Authority, with the facsimile signature of such

641 secretary or assistant secretary. Any coupons attached to bonds issued by the Authority shall bear the
642 signature of the chairman or vice-chairman of the Authority or a facsimile thereof. In case any officer
643 whose signature or a facsimile of whose signature shall appear on any bonds or coupons shall cease to be
644 such officer before the delivery of such bonds, such signature or facsimile shall nevertheless be valid and
645 sufficient for all purposes the same as if he had remained in office until such delivery, and any bonds may
646 bear the facsimile signature of, or may be signed by, such persons as at the actual time of the execution of
647 such bonds shall be the proper officers to sign such bonds although at the date of such bonds such persons
648 may not have been such officers.

649 E. The bonds may be issued in coupon or in registered form, or both, as the Authority may
650 determine, and provision may be made for the registration of any coupon bonds as to principal alone and
651 also as to both principal and interest, for the reconversion into coupon bonds of any bonds registered as to
652 both principal and interest, and for the interchange of registered and coupon bonds. Bonds issued in
653 registered form may be issued under a system of book-entry for recording the ownership and transfer of
654 ownership of rights to receive payment of principal of, and premium on, if any, and interest on such bonds.
655 The Authority may contract for the services of one or more banks, trust companies, financial institutions,
656 or other entities or persons, within or outside the Commonwealth for the authentication, registration,
657 transfer, exchange, and payment of the bonds, or may provide such services itself. The Authority may sell
658 such bonds in such manner, either at public or private sale, and for such price as it may determine will
659 best effect the purposes of this article.

660 F. The proceeds of the bonds of each issue shall be used solely for the purposes, and in furtherance
661 of the powers, of the Authority as may be provided in the resolution authorizing the issuance of such bonds
662 or in the trust agreement hereinafter mentioned securing the same.

663 G. In addition to the above powers, the Authority shall have the authority to issue interim receipts
664 or temporary bonds as provided in § 15.2-2616 and to execute and deliver new bonds in place of bonds
665 mutilated, lost, or destroyed as provided in § 15.2-2621.

666 H. All expenses incurred in carrying out the provisions of this article shall be payable solely from
667 funds available pursuant to the provisions of this article, and no liability shall be incurred by the Authority

hereunder beyond the extent to which moneys shall have been provided or received under the provisions of this article.

I. At the discretion of the Authority, any bonds issued under the provisions of this article may be secured by a trust indenture or agreement by and between the Authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or outside the Commonwealth. Such trust indenture or agreement or the resolution providing for the issuance of such bonds may pledge or assign the revenues to be received and provide for the mortgage of any rail facilities or property or any part thereof. Such trust indenture or agreement or resolution providing for the issuance of such bonds may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including covenants providing for the repossession and sale by the Authority or any trustees under any trust indenture or agreement of any rail facilities, or part thereof, upon any default under the lease or sale of such rail facilities, setting forth the duties of the Authority in relation to the acquisition of property and the planning, development, acquisition, construction, rehabilitation, establishment, improvement, extension, enlargement, maintenance, repair, operation, and insurance of the rail facilities in connection with which such bonds shall have been authorized; the amounts of rates, rents, fees, and other charges to be charged; the collection of such rates, rents, fees, and other charges; the custody, safeguarding, and application of all moneys; and conditions or limitations with respect to the issuance of additional bonds. It is lawful for any national bank with its main office in the Commonwealth or any other state or any bank or trust company incorporated under the laws of the Commonwealth or another state that may act as depository of the proceeds of bonds or of revenues to furnish such indemnifying bonds or to pledge such securities as may be required by the Authority. Any such trust indenture or agreement or resolution may set forth the rights of action by bondholders. In addition to the foregoing, any such trust indenture or agreement or resolution may contain such other provisions as the Authority may deem reasonable and proper for the security of the bondholders including, without limitation, provisions for the assignment to a corporate trustee or escrow agent of any rights of the Authority in any project owned by, or leases or sales of any rail facilities made by, the Authority. All expenses incurred in carrying out the provisions of such trust indenture or agreement or

695 resolution or other agreements relating to any rail facilities, including those to which the Authority may
696 not be a party, may be treated as a part of the cost of the operation of the rail facilities.

697 J. No obligation of the Authority shall be deemed to constitute a debt, or pledge of the faith and
698 credit, of the Commonwealth or of any other political subdivision thereof but shall be payable solely from
699 the revenues and other funds of the Authority pledged thereto, excluding revenues provided from the
700 Commonwealth Rail Fund pursuant to § 33.2-1526.2. All such obligations shall contain on the face thereof
701 a statement to the effect that the Commonwealth, any political subdivision thereof, and the Authority shall
702 not be obligated to pay the same or the interest thereon except from revenues and other funds of the
703 Authority pledged thereto, and that neither the faith and credit nor the taxing power of the Commonwealth
704 or of any political subdivision thereof is pledged to the payment of the principal of or the interest on such
705 obligations.

706 K. Any bonds or refunding bonds issued under the provisions of this article and any transfer of
707 such bonds shall at all times be free from Commonwealth and local taxation. The interest on the bonds
708 and any refunding bonds or bond anticipation notes shall at all times be exempt from taxation by the
709 Commonwealth and by any political subdivision thereof.

710 L. Neither the directors of the Board nor any person executing the bonds shall be liable personally
711 on the bonds by reason of the issuance thereof.

712 M. Any holder of bonds issued under the provisions of this article or any of the coupons
713 appertaining thereto, and the trustee under any trust indenture or agreement or resolution, except to the
714 extent the rights herein given may be restricted by such trust indenture or agreement or resolution
715 authorizing the issuance of such bonds, may either at law or in equity, by suit, action, mandamus, or other
716 proceeding, protect and enforce any and all rights under the laws of the Commonwealth or granted
717 hereunder or under such trust indenture or agreement or resolution, and may enforce and compel the
718 performance of all duties required by this article or by such trust indenture or agreement or resolution to
719 be performed by the Authority or by any officer thereof, including the fixing, charging, and collecting of
720 rates, rentals, fees, and other charges.

N. Provision may be made in the proceedings authorizing refunding bonds for the purchase of the refunded bonds in the open market or pursuant to tenders made from time to time where there is available in the escrow or sinking fund for the payment of the refunded bonds a surplus in an amount to be fixed in such proceedings.

O. 1. The Authority is hereby authorized to apply for, execute, and/or endorse applications submitted by private entities or political subdivisions of the Commonwealth to obtain federal credit assistance for one or more qualifying transportation infrastructure projects or facilities to be developed pursuant to the Public-Private Transportation Act of 1995 (§ 33.2-1800 et seq.). Any such application, agreement, and/or endorsement shall not financially obligate the Commonwealth or be construed to implicate the credit of the Commonwealth as security for any such federal credit assistance.

2. The Authority is hereby authorized to pursue or otherwise apply for, and execute, an agreement to obtain financing using a federal credit instrument for project financings otherwise authorized by this article or other acts of assembly.

§ 33.2-295. Deposit and investment of funds.

Bonds issued by the Authority under the provisions of this article are hereby made securities in which all public officers and public bodies of the Commonwealth and its political subdivisions, all insurance companies, trust companies, banking associations, investment companies, executors, administrators, trustees, and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them. Such bonds are hereby made securities that may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the Commonwealth for any purpose for which the deposit of bonds or obligations of the Commonwealth is now or may hereafter be authorized by law.

§ 33.2-296. Revenues of the Authority.

All moneys received by the Authority pursuant to this article including, without limitation, moneys received from the Commonwealth Rail Fund established pursuant to § 33.2-1526.2, whether as proceeds from the sale of bonds or as revenues, shall be deemed to be trust funds to be held and applied solely as provided in this article. The resolution authorizing the bonds of any issue or the trust indenture or

748 agreement or resolution securing such bonds shall provide that any officer with whom, or any bank or
749 trust company with which, such moneys shall be deposited shall act as a trustee of such moneys and shall
750 hold and apply the same for the purposes hereof, subject to such regulations as this article and such trust
751 indenture or agreement or resolution may provide.

752 **§ 33.2-297. Moneys of Authority.**

753 All moneys of the Authority, from whatever source derived, shall be paid to the treasurer of the
754 Authority. Such moneys shall be deposited in the first instance by the treasurer in one or more banks or
755 trust companies, in one or more special accounts. All banks and trust companies are authorized to give
756 such security for such deposits, if required by the Authority. The moneys in such accounts shall be paid
757 out on the warrant or other order of such person or persons as the Authority may authorize to execute such
758 warrants or orders.

759 **§ 33.2-298. Annual budget.**

760 The Authority shall prepare and submit a detailed annual operating plan and budget to the
761 Transportation Board by February 1 of each fiscal year. The Authority shall also prepare and submit for
762 approval any proposed capital expenditures for the following fiscal year to the Transportation Board by
763 February 1. The Transportation Board shall have until May 30 to approve or deny any capital expenditures,
764 and, in the event the Transportation Board has not approved or denied the Authority's proposed capital
765 expenditures by such deadline, such expenditures shall be deemed approved. The operating plan and
766 budget shall be in a form prescribed by the Transportation Board and shall include information on
767 expenditures, indebtedness, and other information as prescribed by the Transportation Board.

768 **§ 33.2-299. Recordkeeping; audits.**

769 A. The accounts and records of the Authority showing the receipt and disbursement of funds from
770 whatever source derived shall be in a form prescribed by governmental generally accepted accounting
771 principles. Such accounts shall correspond as nearly as possible to the accounts and records for such
772 matters maintained by enterprises.

773 B. The accounts of the Authority shall be audited annually by a certified public accounting firm
774 selected by the Auditor of Public Accounts with the assistance of the Authority through a process of
775 competitive negotiation. The cost of such audit and review shall be borne by the Authority.

776 C. The Authority shall submit an annual report to the Governor and the General Assembly on or
777 before November 1 of each year. Such report shall contain the audited financial statements of the Authority
778 for the fiscal year ending the preceding June 30.

779 D. The Board, the General Assembly, or the Governor may at any time request that the Office of
780 the Inspector General, created pursuant to § 2.2-308, review any area of the Authority's finances or
781 operations.

782 **§ 33.2-299.1. Exemption of Authority from personnel and procurement procedures.**

783 The provisions of the Virginia Personnel Act (§ 2.2-2900 et seq.) and the Virginia Public
784 Procurement Act (§ 2.2-4300 et seq.) shall not apply to the Authority in the exercise of any power
785 conferred under this article. The Authority shall develop and adopt rules governing their procurement
786 procedures. The initial rules shall be adopted by the Board no later than six months after the first meeting
787 of the Board.

788 **§ 33.2-299.2. Police powers, Authority rules and regulations.**

789 The Authority is empowered to adopt and enforce reasonable rules and regulations governing any
790 and all activities using Authority property. Such rules and regulations shall have the force and effect of
791 law after publication one time in full in a newspaper of general circulation in the county or city where the
792 affected property is located.

793 **§ 33.2-299.3. Governmental function; exemption from taxation.**

794 The exercise of the powers granted by this article will be in all respects for the benefit of the people
795 of the Commonwealth, for the increase of their commerce and prosperity, and for the improvement of
796 their health and living conditions, and as the operation and maintenance of rail facilities by the Authority
797 and the undertaking of activities in the furtherance of the purposes of the Authority will constitute the
798 performance of the essential governmental functions, the Authority shall not be required to pay any taxes
799 or assessments upon any rail facilities or any property acquired or used by the Authority under the

provisions of this article or upon the income therefrom, including sales and use taxes on the tangible personal property used in the operations of the Authority. The exemption hereby granted shall not be construed to extend to persons conducting on the premises of any rail facility businesses for which local or state taxes would otherwise be required.

§ 33.2-299.4. Cooperation with federal agencies.

The Authority is empowered to cooperate with, and act as an agent for, the United States or any agency, department, corporation, or instrumentality thereof in the maintenance, development, improvement, and use of rail facilities of the Commonwealth and in any other matter within the purposes, duties, and powers of the Authority.

§ 33.2-299.5. Continuing responsibilities of the Transportation Board and the Department.

The Transportation Board and the Department shall cooperate and assist the Authority in the accomplishment of its purposes as set forth in § 33.2-288.

§ 33.2-299.6. Dissolution of Authority.

Whenever the Board determines that the purposes for which it was created have been substantially fulfilled or are impractical or impossible to accomplish and that all bonds theretofore issued and all other obligations therefore incurred by the Authority have been paid or that cash or a sufficient amount of United States government securities has been deposited for their payment, and upon the approval of the Governor and the General Assembly, the Board may adopt resolutions or ordinances declaring and finding that the Authority should be dissolved and that appropriate articles of dissolution shall be filed with the State Corporation Commission. Upon filing of such articles of dissolution by the Authority, such dissolution shall become effective and the title to all funds and other property owned by the Authority at the time of such filing shall vest in the Department.

§ 33.2-299.7. Exclusions from the Virginia Freedom of Information Act; proprietary records and trade secrets.

Notwithstanding the provisions of the Virginia Freedom of Information Act (§ 2.2-3700 et seq.), the Authority shall keep confidential trade secrets or proprietary information, not publicly available.

provided by a private person or entity pursuant to a promise of confidentiality where if such information were made public, the financial interest of the private person or entity could be adversely affected.

§ 33.2-299.8. Liberal construction.

Neither this article nor anything herein contained is or shall be construed as a restriction or limitation upon any powers that the Authority might otherwise have under any laws of the Commonwealth, and this article is cumulative to any such powers. This article does and shall be construed to provide a complete, additional, and alternative method for the doing of things authorized thereby and shall be regarded as supplemental and additional to power conferred by other laws. However, except as otherwise explicitly provided herein, the issuance of bonds, notes, and other obligations and refunding bonds under the provisions of this article need not comply with the requirements of any other law of the Commonwealth applicable to the issuance of bonds, notes, and other obligations. No proceedings, notice, or approval shall be required for the issuance of any bonds, notes, and other obligations or any instrument as security therefor, except as is provided in this article.

§ 33.2-358. Allocation of funds among highway construction programs.

~~A. For the purposes of this section:~~

~~"Bridge reconstruction and rehabilitation" means reconstruction and rehabilitation of those bridges identified by the Department as being functionally obsolete or structurally deficient.~~

~~"High priority projects" means those projects of regional or statewide significance identified by the Board that reduce congestion, increase safety, create jobs, or increase economic development.~~

~~"High-tech infrastructure improvements" means those projects or programs identified by the Board that reduce congestion, improve mobility, improve safety, provide up-to-date travel data, or improve emergency response.~~

~~B.~~The Board shall allocate each year from all funds made available for highway purposes such amount as it deems reasonable and necessary for the maintenance of roads within the Interstate System, the primary state highway system, and the secondary state highway system and for city and town street maintenance payments made pursuant to § 33.2-319 and payments made to counties that have withdrawn or elect to withdraw from the secondary state highway system pursuant to § 33.2-366.

853 C. Until July 1, 2020, after funds are set aside for administrative and general expenses and pursuant
854 to other provisions in this title that provide for the disposition of funds prior to allocation for highway
855 purposes, and after allocation is made pursuant to subsection B, the Board shall allocate an amount
856 determined by the Board not to exceed \$500 million in any given year as follows: (i) 25 percent to bridge
857 reconstruction and rehabilitation; (ii) 25 percent to advancing high priority projects statewide; (iii) 25
858 percent to reconstructing deteriorated Interstate System, primary state highway system, and municipality
859 maintained primary extension pavements determined to have a Combined Condition Index of less than
860 60; (iv) 15 percent to projects undertaken pursuant to the Public Private Transportation Act of 1995 (§
861 33.2-1800 et seq.); (v) five percent to paving or improving unpaved highways carrying more than 50
862 vehicles per day; and (vi) five percent to the Innovation and Technology Transportation Fund established
863 pursuant to § 33.2-1531 for high-tech infrastructure improvements, provided that at the discretion of the
864 Board such percentages of funds may be adjusted in any given year to meet project cash flow needs or
865 when funds cannot be expended due to legal, environmental, or other project management considerations.
866 After such allocations are made, the Board may allocate each year up to 10 percent of the funds remaining
867 for highway purposes for the undertaking and financing of rail projects that in the Board's determination
868 will result in mitigation of highway congestion. After the foregoing allocations have been made, the Board
869 shall allocate the remaining funds available for highway purposes, exclusive of federal funds for the
870 Interstate System, pursuant to § 33.2-360 and any funds not allocated to a project in the Six-Year
871 Improvement Program as follows:

872 50 percent for the high-priority projects program established pursuant to § 33.2-370 and 50 percent
873 for the highway construction district grant programs established pursuant to § 33.2-371.

874 D. For funds allocated for fiscal years beginning on and after July 1, 2020, after B. After funds are
875 set aside for administrative and general expenses and pursuant to other provisions in this title that provide
876 for the disposition of funds prior to allocation for highway purposes construction programs, and after
877 allocation is made pursuant to subsection B. A., the Board shall allocate all remaining funds, including
878 funds apportioned pursuant to 23 U.S.C. § 104, or any successor programs, as follows:

879 1. ~~Forty-five~~ Twenty-nine and one-tenth percent of the remaining funds to state of good repair
880 purposes as set forth in § 33.2-369;

881 2. ~~Twenty-seven and one-half~~ Twenty percent of the remaining funds to the high-priority projects
882 program established pursuant to § 33.2-370; and

883 3. ~~Twenty-seven and one-half~~ Twenty percent of the remaining funds to the highway construction
884 district grant programs established pursuant to ~~§ 33.2-371~~ § 33.2-372;

885 4. Twenty and four-tenths percent of the remaining funds to the Interstate Operations and
886 Enhancement Program established pursuant to § 33.2-372; and

887 5. Ten and one-half percent of the remaining funds to the Virginia Highway Safety Improvement
888 Program established pursuant to § 33.2-373.

889 ~~E. The funds allocated in subsection C or D shall not include any federal funds and related state~~
890 ~~match for federal funds with restrictions regarding the construction of general capacity expansion of~~
891 ~~roadways, or federal funds not under the control of the Board. Such exclusion shall not include restrictions~~
892 ~~on the location of projects to specific road classifications~~ C. The funds allocated in subsection B shall not
893 include the following funds: Congestion Mitigation Air Quality funds apportioned to the state pursuant to
894 23 U.S.C. § 104(b)(4), or any successor program, and state matching funds; Surface Transportation Block
895 Grant set-aside for Transportation Alternatives pursuant to 23 U.S.C. § 213, or any successor program,
896 and any state matching funds; and funds received pursuant to federal programs established by the federal
897 government after June 30, 2020, with specific rules that include major restrictions on the types of projects
898 that may be funded, excluding restrictions on the location of projects with regard to highway functional
899 or administrative classification or population, provided such funds are under the control of the Board.

900 ~~F. D.~~ D. In addition, the Board, from funds appropriated for such purpose in the general appropriation
901 act, shall allocate additional funds to the Cities of Newport News, Norfolk, and Portsmouth and the County
902 of Warren in such manner and apportion such funds among such localities as the Board may determine,
903 unless otherwise provided in the general appropriation act. The localities shall use such funds to address
904 highway maintenance and repair needs created by or associated with port operations in those localities.

905 ~~G.~~E. Notwithstanding the provisions of this section, the General Assembly may, through the
906 general appropriation act, permit the Governor to increase the amounts to be allocated to highway
907 maintenance, highway construction, either or both.

908 **§ 33.2-358.1. Transitional provisions for the allocation of funds among construction**
909 **programs.**

910 A. Notwithstanding the provisions of subsection B of § 33.2-358, the remaining funds after the
911 allocation pursuant to subsection A of § 33.2-358, including funds apportioned pursuant to 23 U.S.C. §
912 104, and any successor program, for fiscal year 2021 shall be as follows:

913 1. Thirty-four and seven-tenths percent of the remaining funds to state of good repair purposes as
914 set forth in § 33.2-369;

915 2. Twenty and four-tenths percent of the remaining funds to the high-priority projects program
916 established pursuant to 33.2-370;

917 3. Twenty and four-tenths percent of the remaining funds to the highway construction district grant
918 program established pursuant to § 33.2-371;

919 4. Fifteen and three-tenths percent to the Interstate Operations and Enhancement Program
920 established pursuant to § 33.2-372; and

921 5. Nine and two-tenths percent to the Virginia Highway Safety Improvement Program established
922 pursuant to § 33.2-373.

923 B. Notwithstanding the provisions of subsection B of § 33.2-358, the remaining funds after the
924 allocation pursuant to subsection A of § 33.2-358, including funds apportioned pursuant to 23 U.S.C. §
925 104, and any successor program, for fiscal year 2022 shall be as follows:

926 1. Thirty-one and four-tenths percent of the remaining funds to state of good repair purposes as set
927 forth in § 33.2-369;

928 2. Nineteen and one-tenth percent of the remaining funds to the high-priority projects program
929 established pursuant to 33.2-370;

930 3. Nineteen and one-tenth percent of the remaining funds to the highway construction district grant
931 program established pursuant to § 33.2-371;

4. Twenty-one and five-tenths percent to the Interstate Operations and Enhancement Program established pursuant to § 33.2-372; and

5. Eight and nine-tenths percent to the Virginia Highway Safety Improvement Program established pursuant to § 33.2-373.

C. Notwithstanding the provisions of subsection B of § 33.2-358, the remaining funds after the allocation pursuant to subsection A of § 33.2-358, including funds apportioned pursuant to 23 U.S.C. § 104, and any successor program, for fiscal year 2023 shall be as follows:

1. Thirty and four-tenths percent of the remaining funds to state of good repair purposes as set forth in § 33.2-369;

2. Twenty and two-tenths percent of the remaining funds to the high-priority projects program established pursuant to 33.2-370;

3. Twenty and two-tenths percent of the remaining funds to the highway construction district grant program established pursuant to § 33.2-371;

4. Twenty and four-tenths percent to the Interstate Operations and Enhancement Program established pursuant to § 33.2-372; and

5. Eight and eight-tenths percent to the Virginia Highway Safety Improvement Program established pursuant to § 33.2-373.

D. The funds allocated in subsections A, B, and C shall not include the following funds: Congestion Mitigation Air Quality funds apportioned to the state pursuant to 23 U.S.C. § 104(b)(4), or any successor program, and state matching funds; Surface Transportation Block Grant set-aside for Transportation Alternatives pursuant to 23 U.S.C. § 213, or any successor program, and any state matching funds; and funds received pursuant to federal programs established by the federal government after June 30, 2020, with specific rules that include major restrictions on the types of projects that may be funded, excluding restrictions on the location of projects with regard to highway functional or administrative classification or population, provided such funds are under the control of the Board.

§ 33.2-365. Allocation of proceeds of Commonwealth of Virginia Transportation Capital Projects Revenue Bonds.

The Board shall allocate, use, and distribute the proceeds of any bonds it is authorized to issue on or after July 1, 2007, pursuant to subdivision 10 of § 33.2-1701, as follows:

1. A minimum of 20 percent of the bond proceeds shall be used for transit capital as further described in ~~subdivision A 4 c of § 58.1-638~~ § 33.2-1526.1:1.

2. A minimum of 4.3 percent of the bond proceeds shall be used for rail capital consistent with the provisions of §§ 33.2-1601 and 33.2-1602.

3. The remaining amount of bond proceeds shall be used for paying the costs incurred or to be incurred for construction of transportation projects with such bond proceeds used or allocated as follows:

(i) first, to match federal highway funds projected to be made available and allocated to highway and public transportation capital projects to the extent determined by the Board, for purposes of allowing additional state construction funds to be allocated pursuant to § 33.2-358; (ii) second, to provide any required funding to fulfill the Commonwealth's allocation of equivalent revenue sharing matching funds pursuant to § 33.2-357 to the extent determined by the Board; and (iii) third, to pay or fund the costs of statewide or regional projects throughout the Commonwealth. Costs incurred or to be incurred for construction or funding of these transportation projects shall include environmental and engineering studies; rights-of-way acquisition; improvements to all modes of transportation; acquisition, construction, and related improvements; and any financing costs or other financing expenses relating to such bonds. Such costs may include the payment of interest on such bonds for a period during construction and not exceeding one year after completion of construction of the relevant project.

4. The total amount of bonds authorized shall be used for purposes of applying the percentages in subdivisions 1, 2, and 3.

§ 33.2-372. Interstate Operations and Enhancement Program.

A. The Board shall establish an Interstate Operations and Enhancement Program (the Program) to improve the safety, reliability, and travel flow along interstate highway corridors in the Commonwealth.

B. The Board may use funds in the program to address identified needs in the Statewide Transportation Plan pursuant to § 33.2-353 or an interstate corridor plan approved by the Board through

985 (i) operational and transportation demand management strategies and (ii) other transportation
986 improvements, strategies, or services.

987 C. The Board, with the assistance of the Office of Intermodal Planning and Investment, shall
988 establish a process to evaluate and prioritize potential strategies and improvements, with priority given
989 first to operational and transportation demand management strategies that improve reliability and safety
990 of travel.

991 D. The Board may not use funds in this program to supplant existing levels of support as of July
992 1, 2019, for existing operational and transportation demand management strategies.

993 E. The Board shall distribute to the Interstate 81 Corridor Improvement Fund established pursuant
994 to 33.2-3601 an amount equal to the revenues provided to the program multiplied by the ratio of the vehicle
995 miles traveled on Interstate 81 by vehicles classified as Class 6 or higher by the Federal Highway
996 Administration to the total vehicle miles traveled on all interstate highways in the Commonwealth by
997 vehicles classified as Class 6 or higher.

998 F. The Board shall distribute to the Northern Virginia Transportation Authority Fund established
999 pursuant to § 33.2-2509 an amount equal to the revenues provided to the program multiplied by the ratio
1000 of vehicle miles traveled on interstate highways in Planning District 8 by vehicles classified as Class 6 or
1001 higher by the Federal Highway Administration to the total vehicles miles traveled on all interstate
1002 highways in the Commonwealth by vehicles classified as Class 6 or higher.

1003 G. For any interstate highway with more than 10 percent of total vehicle miles traveled by vehicles
1004 classified as Class 6 or higher by the Federal Highway Administration, the Board shall ensure that the
1005 total long-term expenditure for each interstate highway shall be approximately equal to the proportion of
1006 the total revenue deposited in the Fund attributable to each interstate highway based on such interstate
1007 highway's proportional share of interstate vehicle miles traveled by vehicles classified as Class 6 or higher.

1008 H. Starting in 2020, by December 15 of each year, the Board shall report to the Governor and the
1009 General Assembly on the status of the Interstate Operations and Enhancement Program. The report shall
1010 include, at a minimum, the following:

1011 1. The allocation of revenues for the Program;

1012 2. The current and projected performance of each interstate highway corridor; and

1013 3. The anticipated benefits of funded strategies, capital improvements, and services by the
1014 interstate highway.

1015 **§ 33.2-373. Virginia Highway Safety Improvement Program.**

1016 A. The Board shall establish a Highway Safety Improvement Program (the Program) to reduce
1017 motorized and nonmotorized fatalities and severe injuries on highways in the Commonwealth, whether
1018 such highways are state or locally maintained. The Board shall use funds set aside pursuant to § 33.2-358
1019 for this Program.

1020 B. Beginning in fiscal year 2024, the Board shall allocate the funds in accordance with its adopted
1021 investment strategy pursuant to subsection C as follows:

1022 1. At least 54 percent for infrastructure projects that address a hazardous road location or feature
1023 and address an identified highway safety problem;

1024 2. At least 29 percent for strategies and activities to address behavioral causes of crashes that result
1025 in fatalities and severe injuries; and

1026 3. The remaining amount for eligible purposes under this section pursuant to the investment
1027 strategy adopted pursuant to subsection C.

1028 C. The Board shall adopt an investment strategy to guide the investments of this Program. The
1029 strategy shall cover a period of at least five years and seek to achieve a significant reduction in the
1030 anticipated number of fatalities and severe injuries over the covered period, and shall give priority to
1031 projects, strategies, and activities based on the expected reduction in fatalities and severe injuries relative
1032 to cost, including improvements that are widely implemented based on a high-risk roadway feature that is
1033 correlated with a particular crash type, rather than crash frequency.

1034 **§ 33.2-374. Robert O. Norris Bridge and Statewide Special Structure Program.**

1035 A. For purposes of this section, "special structure" means very large, indispensable, and unique
1036 bridges and tunnels identified by the Commissioner, and approved by the Commonwealth Transportation
1037 Board.

1038 B. The General Assembly declares it to be in the public interest that the maintenance,
1039 rehabilitation, and replacement of special structures in the Commonwealth occur timely as to provide and
1040 protect a safe and efficient highway system.

1041 C. The Board shall establish a program for the maintenance, rehabilitation, and replacement of
1042 special structures in the Commonwealth. With the assistance of the Department of Transportation, the
1043 Board shall develop and maintain a plan for the maintenance, rehabilitation and replacement of special
1044 structures in the Commonwealth. The plan shall cover at a minimum a 30-year period and shall be updated
1045 biennially no later than November 1 of each even-numbered year.

1046 D. The Board shall use the funds allocated in §§ 33.2-1524 and 33.2-1530 to the Robert O. Norris
1047 Bridge and Statewide Special Structure Fund pursuant to § 33.2-1532 for maintenance, reconstruction,
1048 and replacement of special structures to implement the plan developed pursuant to subsection C.

1049 **§ 33.2-1502. Creation of the Virginia Transportation Infrastructure Bank.**

1050 A. There is hereby created in the state treasury a special nonreverting, revolving loan fund, known
1051 as the Virginia Transportation Infrastructure Bank, that is a subfund of the Transportation Trust Fund
1052 established pursuant to ~~§ 33.2-1524~~ 33.2-1524.1. The Bank shall be established on the books of the
1053 Comptroller. The Bank shall be capitalized with (i) ~~two-thirds of all interest, dividends, and appreciation~~
1054 ~~that may accrue to the Transportation Trust Fund and the Highway Maintenance and Operating Fund funds~~
1055 pursuant to subdivision B 3 of § 33.2-1524 and (ii) moneys appropriated by the General Assembly and
1056 credited to the Bank. Disbursements from the Bank shall be made by the State Treasurer on warrants
1057 issued by the Comptroller upon written request signed by the Commissioner of Highways or his designee.
1058 Payments on project obligations and interest earned on the moneys in the Bank shall be credited to the
1059 Bank. Any moneys remaining in the Bank, including interest thereon, at the end of each fiscal year shall
1060 not revert to the general fund but shall remain in the Bank. Notwithstanding anything to the contrary set
1061 forth in this article or in the management agreement, the Board will have the right to determine the projects
1062 for which loans or other financial assistance may be provided by the Bank. Moneys in the Bank shall be
1063 used solely for the purposes enumerated in subsection C.

1064 B. The Board, the manager, and the Secretary of Finance are authorized to enter into a management
1065 agreement which may include provisions (i) setting forth the terms and conditions under which the
1066 manager will advise the Board on the financial propriety of providing particular loans or other financial
1067 assistance; (ii) setting forth the terms and conditions under which the substantive requirements of
1068 subsections C, D, and E and § 33.2-1505 will be applied and administered; and (iii) authorizing the
1069 manager to request the Board to disburse from the moneys in the Bank the reasonable costs and expenses
1070 the manager may incur in the management and administration of the Bank and a reasonable fee to be
1071 approved by the Board for the manager's management and administrative services.

1072 C. 1. Moneys deposited in the Bank shall be used for the purpose of making loans and other
1073 financial assistance to finance projects.

1074 2. Each project obligation shall be payable, in whole or in part, from reliable repayment sources
1075 pledged for such purpose.

1076 3. The interest rate on a project obligation shall be determined by reference to the current market
1077 rates for comparable obligations, the nature of the project and the financing structure therefor, and the
1078 creditworthiness of the eligible borrower and other project sponsors.

1079 4. The repayment schedule for each project obligation shall require (i) the amortization of principal
1080 beginning within five years following the later of substantial project completion or the date of incurrence
1081 of the project obligation and (ii) a final maturity date of not more than 35 years following substantial
1082 project completion.

1083 D. The pledge of reliable repayment sources and other property securing any project obligation
1084 may be subordinate to the pledge securing any other senior debt obligations incurred to finance the project.

1085 E. Notwithstanding subdivision C 4, the manager may at any time following substantial project
1086 completion defer payments on a project obligation if the project is unable to generate sufficient revenues
1087 to pay the scheduled payments.

1088 F. No loan or other financial assistance may be provided or committed to be provided by the Bank
1089 in a manner that would cause such loan or other financial assistance to be tax-supported debt within the
1090 meaning of § 2.2-2713 or be deemed to constitute a debt of the Commonwealth or a pledge of the full

1091 faith and credit of the Commonwealth but shall be payable solely from legally available moneys held by
1092 the Bank.

1093 G. Neither the Bank nor the manager is authorized or empowered to be or to constitute (i) a bank
1094 or trust company within the jurisdiction or under the control of the Commonwealth or an agency thereof
1095 or the Comptroller of Currency of the U.S. Treasury Department or (ii) a bank, banker, or dealer in
1096 securities within the meaning of, or subject to the provisions of, any securities, securities exchange, or
1097 securities dealers law of the United States or of the Commonwealth.

1098 H. The Board or the manager may establish or direct the establishment of federal and state accounts
1099 or subaccounts as may be necessary to meet any applicable federal law requirements or desirable for the
1100 efficient administration of the Bank in accordance with this article.

1101 **§ 33.2-1524. Commonwealth Transportation Fund.**

1102 A. There is hereby created in the Department of the Treasury a special nonreverting fund to be
1103 known as the Commonwealth Transportation Trust Fund, consisting of (the Fund). The Fund shall be
1104 established on the books of the Comptroller. Any moneys remaining in the Fund at the end of the year
1105 shall not revert to the general fund but shall remain in the Fund. The Fund shall consist of all funds
1106 appropriated to the Fund and all funds dedicated to the Fund pursuant to law, including:

1107 1. Funds remaining for highway construction purposes among the highway systems pursuant to §
1108 33.2-358; Revenues pursuant to §§ 58.1-2289 and 58.1-2701;

1109 2. The additional revenues generated by enactments of Chapters 11, 12, and 15 of the 1986 Acts
1110 of Assembly, Special Session I, and designated for this fund. Revenues pursuant to subsections A and G
1111 of § 58.1-638 and § 58.1-638.3;

1112 3. Tolls and other revenues derived from the projects financed or refinanced pursuant to this title
1113 that are payable into the state treasury and tolls and other revenues derived from other transportation
1114 projects, which may include upon the request of the applicable appointed local governing body, as soon
1115 as their obligations have been satisfied, such tolls and revenue derived for transportation projects pursuant
1116 to the Chesapeake Bay Bridge and Tunnel District and Commission established in Chapter 22 (§ 33.2-
1117 2200 et seq.) and to the Richmond Metropolitan Transportation Authority established in Chapter 29 (§

1118 33.2-2900 et seq.), or if the appointed local governing body requests refunding or advanced refunding by
1119 the Board and such refunding or advanced refunding is approved by the General Assembly. Such funds
1120 shall be held in separate subaccounts of the Commonwealth Transportation-Trust Fund to the extent
1121 required by law or the Board;

1122 4. Revenues pursuant to § 58.1-2425;

1123 5. Revenues pursuant to subdivisions A 1 through A 12 of § 46.2-694, 46.2-694.1, 46.2-697, and
1124 46.2-697.2, except where provided elsewhere in such sections and excluding revenues deposited into a
1125 special fund for the Department of Motor Vehicles pursuant to § 46.2-686;

1126 6. Revenues pursuant to § 58.1-1741;

1127 7. Revenues pursuant to § 58.1-815.4;

1128 8. Revenues from § 58.1-2249;

1129 9. Such other funds as may be appropriated by the General Assembly from time to time and
1130 designated for the Commonwealth Transportation-Trust Fund;

1131 ~~5-10.~~ All interest, dividends, and appreciation that may accrue to the Transportation Trust Fund
1132 established pursuant to § 33.2-1524.1 and the Highway Maintenance and Operating Fund- established
1133 pursuant to § 33.2-1530;

1134 ~~6-11.~~ All amounts required by contract to be paid over to the Commonwealth Transportation-Trust
1135 Fund;

1136 ~~7-12.~~ Concession payments paid to the Commonwealth by a private entity pursuant to the Public-
1137 Private Transportation Act of 1995 (§ 33.2-1800 et seq.); and

1138 13. Revenues pursuant to § 58.1-2531.

1139 B. Funds in the Fund shall be distributed as follows:

1140 1. Of the funds from subdivisions A 1, 2, 4 through 8, and 13: (i) 51.24 percent to the Highway
1141 Maintenance and Operating Fund established pursuant to § 33.2-1530 and (ii) 48.76 percent to the
1142 Transportation Trust Fund established pursuant to § 33.2- 1524.1;

1143 2. The funds from subdivision A 3 and 12 shall be deposited into the Transportation Trust Fund
1144 established pursuant to § 33.2- 1524.1;

3. Of the funds from subdivision A 10: (i) two-thirds shall be deposited in the Virginia Transportation Infrastructure Bank established pursuant to Article 1 (§ 33.2-1500 et seq.) and (ii) one-third shall be deposited into the Transportation Partnership Opportunity Fund established pursuant to § 33.2-1529.1.

C. Prior to the distribution of funds pursuant to subsection B, (i) \$40 million annually shall be deposited into the Route 58 Corridor Development Fund pursuant to § 33.2-2300, (ii) \$20 million annually shall be deposited into the Northern Virginia Transportation District Fund pursuant to § 33.2-2400, and (iii) \$85 million annually shall be deposited into the Robert O. Norris Bridge and Statewide Special Structures Fund pursuant to § 33.2-1532, though the amount deposited shall be adjusted annually based on the change in the consumer price index for all urban consumers.

§ 33.2-1524.1. Transportation Trust Fund.

There is hereby created in the Department of Treasury a special nonreverting fund to be known as the Transportation Trust Fund, consisting of funds distributed from the Commonwealth Transportation Fund pursuant to § 33.2-1524. The revenues deposited pursuant to subdivision B 1 of § 33.2-1524 shall be distributed as follows:

1. For construction programs pursuant to § 33.2-358, 54.90 percent;
2. To the Commonwealth Mass Transit Fund established pursuant to § 33.2-1526, 22.20 percent;
3. To the Commonwealth Rail Fund established pursuant to § 33.2-1526.2, 5.72 percent;
4. To the Commonwealth Port Fund established pursuant to § 33.2-1526.3, 2.45 percent;
5. To the Commonwealth Aviation Fund established pursuant to § 33.2-1526.4, 1.35 percent;
6. To the Commonwealth Space Flight Fund established pursuant to § 33.2-1526.5, 0.80 percent;
7. To the Priority Transportation Fund established pursuant to § 33.2-1527, 12.15 percent; and
8. To a special fund within the Commonwealth Transportation Fund in the state treasury, 0.43 percent to be used to meet the necessary expenses of the Department of Motor Vehicles.

§ 33.2-1524.2. Transitional provisions for the Commonwealth Transportation Fund and the Transportation Trust Fund.

1171 A. Notwithstanding the provisions of subsection B of § 33.2-1524, in fiscal year 2021 the funds
1172 shall be distributed as follows:

1173 1. Of the funds from subdivisions A 1, 2, 4 through 9, and 14 of § 33.2-1524: (i) 53.95 percent to
1174 the Highway Maintenance and Operating Fund established pursuant to § 33.2-1530 and (ii) 46.05 percent
1175 to the Transportation Trust Fund established pursuant to § 33.2- 1524.1;

1176 2. The funds from subdivisions A 3 and 13 of § 33.2-1524 shall be deposited into the
1177 Transportation Trust Fund established pursuant to § 33.2- 1524.1;

1178 3. Of the funds from subdivision A 11 of § 33.2-1524: (i) two-thirds shall be deposited in the
1179 Virginia Transportation Infrastructure Bank established pursuant to Article 1 (§ 33.2-1500 et seq.) and (ii)
1180 one-third shall be deposited into the Transportation Partnership Opportunity Fund established pursuant to
1181 § 33.2-1529.1.

1182 B. Notwithstanding the provisions of subsection B of § 33.2-1524, in fiscal year 2022 the funds
1183 shall be distributed as follows:

1184 1. Of the funds from subdivisions A 1, 2, 4 through 9, and 14 of § 33.2-1524: (i) 52.86 percent to
1185 the Highway Maintenance and Operating Fund established pursuant to § 33.2-1530 and (ii) 47.14 percent
1186 to the Transportation Trust Fund established pursuant to § 33.2- 1524.1;

1187 2. The funds from subdivisions A 3 and 13 of § 33.2-1524 shall be deposited into the
1188 Transportation Trust Fund established pursuant to § 33.2- 1524.1;

1189 3. Of the funds from subdivision A 11 of § 33.2-1524: (i) two-thirds shall be deposited in the
1190 Virginia Transportation Infrastructure Bank established pursuant to Article 1 (§ 33.2-1500 et seq.) and (ii)
1191 one-third shall be deposited into the Transportation Partnership Opportunity Fund established pursuant to
1192 § 33.2-1529.1.

1193 C. Notwithstanding the provisions of subsection B of § 33.2-1524, in fiscal year 2023 the funds
1194 shall be distributed as follows:

1195 1. Of the funds from subdivisions A 1, 2, 4 through 9, and 14 of § 33.2-1524: (i) 51.86 percent to
1196 the Highway Maintenance and Operating Fund established pursuant to § 33.2-1530 and (ii) 48.14 percent
1197 to the Transportation Trust Fund established pursuant to § 33.2- 1524.1;

1198 2. The funds from subdivisions A 3 and 13 of § 33.2-1524 shall be deposited into the
1199 Transportation Trust Fund established pursuant to § 33.2- 1524.1;

1200 3. Of the funds from subdivision A 11 of § 33.2-1524: (i) two-thirds shall be deposited in the
1201 Virginia Transportation Infrastructure Bank established pursuant to Article 1 (§ 33.2-1500 et seq.) and (ii)
1202 one-third shall be deposited into the Transportation Partnership Opportunity Fund established pursuant to
1203 § 33.2-1529.1.

1204 D. 1. Prior to the distribution of funds pursuant to subsection A in fiscal year 2021, (i) \$40 million
1205 shall be deposited into the Route 58 Corridor Development Fund pursuant to § 33.2-2300, (ii) \$20 million
1206 shall be deposited into the Northern Virginia Transportation District Fund pursuant to § 33.2-2400, and
1207 (iii) \$20 million shall be deposited into the Robert O. Norris Bridge and Statewide Special Structures Fund
1208 pursuant to § 33.2-1532.

1209 2. Prior to the distribution of funds pursuant to subsection A in fiscal year 2022, (i) \$40 million
1210 shall be deposited into the Route 58 Corridor Development Fund pursuant to § 33.2-2300, (ii) \$20 million
1211 shall be deposited into the Northern Virginia Transportation District Fund pursuant to § 33.2-2400, and
1212 (iii) \$20 million shall be deposited into the Robert O. Norris Bridge and Statewide Special Structures Fund
1213 pursuant to § 33.2-1532.

1214 3. Prior to the distribution of funds pursuant to subsection A in fiscal year 2023, (i) \$40 million
1215 shall be deposited into the Route 58 Corridor Development Fund pursuant to § 33.2-2300, (ii) \$20 million
1216 shall be deposited into the Northern Virginia Transportation District Fund pursuant to § 33.2-2400, and
1217 (iii) \$80 million shall be deposited into the Robert O. Norris Bridge and Statewide Special Structures Fund
1218 pursuant to § 33.2-1532.

1219 E. Notwithstanding the provisions of subsection B of § 33.2-1524.1, the revenues deposited into
1220 the Transportation Trust Fund pursuant to subdivision B 2 of § 33.2-1524 shall be distributed in fiscal
1221 year 2021 as follows:

1222 1. For construction programs pursuant to § 33.2-358, 54.86 percent;

1223 2. To the Commonwealth Mass Transit Fund established pursuant to § 33.2-1526, 21.41 percent;

1224 3. To the Commonwealth Rail Fund established pursuant to § 33.2-1526.2, 5.51 percent;

1225 4. To the Commonwealth Port Fund established pursuant to § 33.2-1526.3, 2.66 percent;
1226 5. To the Commonwealth Aviation Fund established pursuant to § 33.2-1526.4, 1.48 percent;
1227 6. To the Commonwealth Space Flight Fund established pursuant to § 33.2-1526.5, 0.90 percent;
1228 7. To the Priority Transportation Fund established pursuant to § 33.2-1527, 12.69 percent; and
1229 8. To a special fund within the Commonwealth Transportation Fund in the state treasury, 0.49
1230 percent to be used to meet the necessary expenses of the Department of Motor Vehicles.

1231 F. Notwithstanding the provisions of subsection B of § 33.2-1524.1, the revenues deposited into
1232 the Transportation Trust Fund pursuant to subdivision B 2 of § 33.2-1524 shall be distributed in fiscal
1233 year 2022 as follows:

1234 1. For construction programs pursuant to § 33.2-358, 55.89 percent;
1235 2. To the Commonwealth Mass Transit Fund established pursuant to § 33.2-1526, 21.09 percent;
1236 3. To the Commonwealth Rail Fund established pursuant to § 33.2-1526.2, 5.28 percent;
1237 4. To the Commonwealth Port Fund established pursuant to § 33.2-1526.3, 2.55 percent;
1238 5. To the Commonwealth Aviation Fund established pursuant to § 33.2-1526.4, 1.42 percent;
1239 6. To the Commonwealth Space Flight Fund established pursuant to § 33.2-1526.5, 0.85 percent;
1240 7. To the Priority Transportation Fund established pursuant to § 33.2-1527, 12.47 percent; and
1241 8. To a special fund within the Commonwealth Transportation Fund in the state treasury, 0.46
1242 percent to be used to meet the necessary expenses of the Department of Motor Vehicles.

1243 G. Notwithstanding the provisions of subsection B of § 33.2-1524.1, the revenues deposited into
1244 the Transportation Trust Fund pursuant to subdivision B 2 of § 33.2-1524 shall be distributed in fiscal
1245 year 2023 as follows:

1246 1. For construction programs pursuant to § 33.2-358, 55.51 percent;
1247 2. To the Commonwealth Mass Transit Fund established pursuant to § 33.2-1526, 22.23 percent;
1248 3. To the Commonwealth Rail Fund established pursuant to § 33.2-1526.2, 5.08 percent;
1249 4. To the Commonwealth Port Fund established pursuant to § 33.2-1526.3, 2.44 percent;
1250 5. To the Commonwealth Aviation Fund established pursuant to § 33.2-1526.4, 1.37 percent;
1251 6. To the Commonwealth Space Flight Fund established pursuant to § 33.2-1526.5, 0.81 percent;

1252 7. To the Priority Transportation Fund established pursuant to § 33.2-1527, 12.13 percent; and

1253 8. To a special fund within the Commonwealth Transportation Fund in the state treasury, 0.43

1254 percent to be used to meet the necessary expenses of the Department of Motor Vehicles.

1255 **§ 33.2-1526. Commonwealth Mass Transit Fund.**

1256 ~~Of the funds becoming part of the Transportation Trust Fund pursuant to subdivision 2 of § 33.2-~~
1257 ~~1524, an aggregate of 4.2 percent shall be set aside as the Commonwealth Port Fund as established in~~
1258 ~~subdivision A 2 of § 58.1-638; an aggregate of 2.4 percent shall be set aside as the Commonwealth Airport~~
1259 ~~Fund as established in subdivision A 3 of § 58.1-638; and an aggregate of 14.7 percent shall be set aside~~
1260 ~~as the Commonwealth Mass Transit Fund as established in subdivision A 4 of § 58.1-638. Beginning with~~
1261 ~~the Commonwealth's 2012-2013 fiscal year through the Commonwealth's 2023-2024 fiscal year, each~~
1262 ~~fiscal year from the funds becoming part of the Transportation Trust Fund pursuant to subdivision 2 of §~~
1263 ~~33.2-1524 the Comptroller shall transfer \$15.8 million to the Commonwealth Space Flight Fund as~~
1264 ~~established in subdivision A 3a of § 58.1-638. The remaining funds deposited into or held in the~~
1265 ~~Transportation Trust Fund pursuant to subdivision 2 of § 33.2-1524, together with funds deposited~~
1266 ~~pursuant to subdivisions 1 and 4 of § 33.2-1524, shall be expended for capital improvements, including~~
1267 ~~construction, reconstruction, maintenance, and improvements of highways according to the provisions of~~
1268 ~~subsection C or D of § 33.2-358 or to secure bonds issued for such purposes, as provided by the Board~~
1269 ~~and the General Assembly.~~

1270 A. There is hereby created in the State Treasury a special nonreverting fund that shall be a part of
1271 the Transportation Trust Fund and shall be known as the Commonwealth Mass Transit Fund (the Fund).
1272 The Fund shall be established on the books of the Comptroller and any funds remaining in the Fund at the
1273 end of the biennium shall not revert to the general fund but shall remain in the Fund. Interest earned on
1274 such funds shall be credited to the Fund.

1275 B. The amounts allocated to the Fund pursuant to § 33.2-1526.1 shall be used to support the
1276 operating, capital, and administrative costs of public transportation at a state share determined by the
1277 Board, and such amounts may be used to support the capital project costs of public transportation and

ridesharing equipment, facilities, and associated costs at a state share determined by the Board. Capital costs may include debt service payments on local or agency transit bonds.

§ 33.2-1526.1. Use of the Commonwealth Mass Transit Fund.

A. All funds deposited pursuant to ~~§§ 58.1-638, 58.1-638.3, 58.1-815.4, and 58.1-2289~~ § 33.2-1524.1 into the Commonwealth Mass Transit Fund (the Fund), established pursuant to ~~subdivision A 4 of § 58.1-638~~ § 33.2-1526, shall be allocated as set forth in this section.

B. Prior to the distribution of funds in subsection D, (i) in fiscal year 2021, \$16 million, (ii) in fiscal year 2022, \$34 million, and (iii) beginning in fiscal year 2023, \$50 million shall be allocated to the Washington Metropolitan Area Transit Authority as matching funds to federal and other funds provided by the Federal Transit Administration, the District of Columbia, and the State of Maryland. However, such funds shall only be provided if the District of Columbia and the State of Maryland each provide at least \$50 million, and the Federal Transit Administration provides \$150 million to the Washington Metropolitan Area Transit Authority.

C. The Board may establish policies for the implementation of this section, including the determination of the state share of operating, capital, and administrative costs related to mass transit. For purposes of this section, capital costs may include debt service payments on local or agency transit bonds. Funds may be paid to any local governing body, transportation district commission, or public service corporation for the purposes as set forth in this section. No funds from the Fund shall be allocated without a local match from the recipient.

~~C.~~ D. Each year the Director of the Department of Rail and Public Transportation shall make recommendations to the Board for the allocation of funds from the Fund. Such recommendations, and the final allocations approved by the Board, shall adhere to the following:

1. ~~Thirty-one~~ Twenty-seven percent of the funds shall be allocated to support operating costs of transit providers and shall be distributed by the Board on the basis of service delivery factors, based on effectiveness and efficiency as established by the Board. Such measures and their relative weight shall be evaluated every three years and, if redefined by the Board, shall be published and made available for

public comment at least one year in advance of being applied. The Washington Metropolitan Area Transit Authority (WMATA) shall not be eligible for an allocation of funds pursuant to this subdivision.

~~2. Twelve and one-half~~ Seventeen and seven-tenths percent of the funds shall be allocated for capital purposes and distributed utilizing the transit capital prioritization process established by the Board pursuant to § 33.2-214.4. The Washington Metropolitan Area Transit Authority shall not be eligible for an allocation of funds pursuant to this subdivision.

~~3. Fifty-three~~ Forty-six and one-half six-tenths percent of the funds shall be allocated to the Northern Virginia Transportation Commission for distribution to WMATA for capital purposes and operating assistance, as determined by the Commission.

~~4. Six and three-tenths~~ percent of the funds shall be allocated by the Board for the Transit Incentive Program established pursuant to § 33.2-1526.1:2.

~~Three~~ 5. Two and four-tenths percent of the funds shall be allocated for special programs, including ridesharing, transportation demand management programs, experimental transit, public transportation promotion, operation studies, and technical assistance, and may be allocated to any local governing body, planning district commission, transportation district commission, or public transit corporation. Remaining funds may also be used directly by the Department of Rail and Public Transportation to (i) finance a program administered by the Department of Rail and Public Transportation designed to promote the use of public transportation and ridesharing throughout the Commonwealth or (ii) finance up to 80 percent of the cost of development and implementation of projects with a purpose of enhancing the provision and use of public transportation services.

~~D. E.~~ The Board may consider the transfer of funds from subdivisions ~~€ D~~ 2 and ~~4~~ 5 to subdivision ~~€ D~~ 1 in times of statewide economic distress or statewide special need.

~~E. F.~~ The Department of Rail and Public Transportation may reserve a balance of up to five percent of the Fund revenues in order to ensure stability in providing operating and capital funding to transit entities from year to year, provided that such balance shall not exceed five percent of revenues in a given biennium.

1330 ~~F.~~G. The Board may allocate up to 3.5 percent of the funds set aside for the Fund to support costs
1331 of project development, project administration, and project compliance incurred by the Department of
1332 Rail and Public Transportation in implementing rail, public transportation, and congestion management
1333 grants and programs.

1334 ~~G.~~H. Funds allocated to the Northern Virginia Transportation Commission (NVTC) for WMATA
1335 pursuant to subdivision ~~C.~~D. 3 shall be credited to the Counties of Arlington and Fairfax and the Cities of
1336 Alexandria, Fairfax, and Falls Church. Beginning in the fiscal year when service starts on Phase II of the
1337 Silver Line, such funds shall also be credited to Loudoun County. Funds allocated pursuant to this
1338 subsection shall be credited as follows:

1339 1. Local obligations for debt service for WMATA rail transit bonds apportioned to each locality
1340 using WMATA's capital formula shall be paid first by NVTC, which shall use 95 percent state aid for
1341 these payments.

1342 2. The remaining funds shall be apportioned to reflect WMATA's allocation formulas by using the
1343 related WMATA-allocated subsidies and relative shares of local transit subsidies. Capital costs shall
1344 include 20 percent of annual local bus capital expenses. Local transit subsidies and local capital costs of
1345 Loudoun County shall not be included. Hold harmless protections and obligations for NVTC's
1346 jurisdictions agreed to by NVTC on November 5, 1998, shall remain in effect.

1347 ~~H.~~I. Appropriations from the Fund are intended to provide a stable and reliable source of revenue,
1348 as defined by P.L. 96-184.

1349 ~~I.~~J. Notwithstanding any other provision of law, funds allocated to WMATA may be disbursed
1350 by the Department of Rail and Public Transportation directly to WMATA or to any other transportation
1351 entity that has an agreement to provide funding to WMATA.

1352 ~~J.~~K. In any year that the total Virginia operating assistance in the approved WMATA budget
1353 increases by more than 3 percent from the total operating assistance in the prior year's approved WMATA
1354 budget, the Board shall withhold an amount equal to 35 percent of the funds available under subdivision
1355 ~~C.~~D. 3. The following items shall not be included in the calculation of any WMATA budget increase: (i)
1356 any service, equipment, or facility that is required by any applicable law, rule, or regulation; (ii) any capital

project approved by the WMATA Board before or after the effective date of this provision; and (iii) any payments or obligations of any kind arising from or related to legal disputes or proceedings between or among WMATA and any other person or entity.

~~K. L.~~ The Board shall withhold 20 percent of the funds available pursuant to subdivision ~~C~~ D 3 if (i) any alternate directors participate or take action at an official WMATA Board meeting or committee meeting as Board directors for a WMATA compact member when both directors appointed by that same WMATA compact member are present at the WMATA Board meeting or committee meeting or (ii) the WMATA Board of Directors has not adopted bylaws that would prohibit such participation by alternate directors.

§ 33.2-1526.1:1. Commonwealth Transit Capital Fund.

A. There is hereby created in the Department of the Treasury a special nonreverting fund known as the Commonwealth Transit Capital Fund. The Commonwealth Transit Capital Fund shall be a subaccount of the Commonwealth Mass Transit Fund.

B. The Commonwealth Transit Capital Fund subaccount shall be established on the books of the Comptroller and consist of such moneys as are appropriated to it by the General Assembly and of all donations, gifts, bequests, grants, endowments, and other moneys given, bequeathed, granted, or otherwise made available to the Commonwealth Transit Capital Fund. Any funds remaining in the Commonwealth Transit Capital Fund at the end of the biennium shall not revert to the general fund, but shall remain in the Commonwealth Transit Capital Fund. Interest earned on funds within the Commonwealth Transit Capital Fund shall remain in and be credited to the Commonwealth Transit Capital Fund.

C. Proceeds of the Commonwealth Transit Capital Fund may be paid to any political subdivision, another public entity created by an act of the General Assembly, or a private entity as defined in § 33.2-1800 and for purposes as enumerated in subdivision 7 of § 33.2-1701 or expended by the Department of Rail and Public Transportation for the purposes specified in this subsection. Revenues of the Commonwealth Transit Capital Fund shall be used to support capital expenditures involving the establishment, improvement, or expansion of public transportation services through specific projects approved by the Commonwealth Transportation Board.

1384 D. The Commonwealth Transit Capital Fund shall not be allocated without requiring a local match
1385 from the recipient.

1386 **§ 33.2-1526.1:2. Transit Incentive Program.**

1387 A. The Board shall establish a Transit Incentive Program to promote improved transit service in
1388 urbanized areas of the Commonwealth with a population in excess of 200,000 and to reduce barriers to
1389 transit use for low-income individuals.

1390 B. The goal of the program shall be to encourage the identification and establishment of routes of
1391 regional significance, the development and implementation of a regional subsidy allocation model,
1392 implementation of integrated fare collection, establishment of bus-only lanes on routes of regional
1393 significance, and other actions and service determined by the Board to improve transit service.

1394 C. The Board shall establish guidelines for the implementation this program and review such
1395 guidelines, at a minimum, every five years. The funds in the Program shall be awarded such that on a five-
1396 year rolling average, the amount of funds awarded to each urbanized area shall be equal to a ratio of the
1397 population within the Commonwealth of such urbanized area compared to the total population within in
1398 the Commonwealth of all eligible urbanized areas. The Board may through an affirmative vote of a
1399 majority of the members vote to waive this requirement for a period not to exceed two years when they
1400 find there is a need that justifies such waiver.

1401 D. To be eligible for funds available in this program, the transit agency shall either (i) be operated
1402 by a transportation district or jointly by two or more transportation districts established pursuant to Chapter
1403 19 (§ 33.2-1900 et seq.) or (ii) be operated or funded by a local government that is a member of a
1404 transportation district established pursuant to Chapter 19.

1405 E. Notwithstanding the provisions of this section, the Board shall use an amount not to exceed 25
1406 percent of the funds available to support the establishment of programs to reduce the impact of fares on
1407 low-income individuals, including reduced-fare programs and elimination of fares. The restrictions in
1408 subsection A shall not apply to funds used pursuant to this subsection.

1409 F. The Board shall report annually to the Governor and the General Assembly on the projects and
1410 services funded by the Program. The report shall, at a minimum, include an analysis of the performance

of the funded projects, the performance of the identified routes of regional significance, transit ridership, efforts funded pursuant to subsection E, and any other information the Board determines to be appropriate.

§ 33.2-1526.1:3. Transitional provisions for the distribution of Commonwealth Mass Transit Funds.

A. Notwithstanding the provisions of subsection C of § 33.2-1526.1, the distribution of funds in the Commonwealth Mass Transit Fund pursuant to § 33.2-1526 in fiscal year 2021 shall be as follows:

1. Twenty-seven and seven-tenths percent for the purposes of subdivision D 1 of § 33.2-1526.1;
2. Seventeen and one-tenth percent for the purposes of subdivision D 2 of § 33.2-1526.1;
3. Forty-seven and seven-tenths percent for the purposes of subdivision D 3 of § 33.2-1526.1;
4. Five percent for the purposes of subdivision D 4 of § 33.2-1526.1; and
5. Two and six-tenths percent for the purposes of subdivision D 5 of § 33.2-1526.1.

B. Notwithstanding the provisions of subsection D of § 33.2-1526.1, the distribution of funds in the Commonwealth Mass Transit Fund pursuant to § 33.2-1526 in fiscal year 2022 shall be as follows:

1. Twenty-nine and one-tenth percent for the purposes of subdivision D 1 of § 33.2-1526.1;
2. Fifteen and four-tenths percent for the purposes of subdivision D 2 of § 33.2-1526.1;
3. Fifty and one-tenth percent for the purposes of subdivision D 3 of § 33.2-1526.1;
4. Two and eight-tenths percent for the purposes of subdivision D 4 of § 33.2-1526.1; and
5. Two and eight-tenths percent for the purposes of subdivision D 5 of § 33.2-1526.1.

C. Notwithstanding the provisions of subsection D of § 33.2-1526.1, the distribution of funds in the Commonwealth Mass Transit Fund pursuant to § 33.2-1526 in fiscal year 2023 shall be as follows:

1. Twenty-six and eight-tenths percent for the purposes of subdivision D 1 of § 33.2-1526.1;
2. Nineteen and three-tenths percent for the purposes of subdivision D 2 of § 33.2-1526.1;
3. Forty-six and three-tenths percent for the purposes of subdivision D 3 of § 33.2-1526.1;
4. Five and two-tenths percent for the purposes of subdivision D 4 of § 33.2-1526.1; and
5. Two and four-tenths percent for the purposes of subdivision D 5 of § 33.2-1526.1.

§ 33.2-1526.2. Commonwealth Rail Fund.

1437 A. The General Assembly declares it to be in the public interest that developing and continuing
1438 intercity passenger and freight rail operations and the development of rail infrastructure, rolling stock, and
1439 support facilities to support intercity passenger and freight rail service are important elements of a
1440 balanced transportation system in the Commonwealth and further declares it to be in the public interest
1441 that the retention, maintenance, improvement, and development of intercity passenger and freight rail-
1442 related infrastructure improvements and operations are essential to the Commonwealth's continued
1443 economic growth, vitality, and competitiveness in national and world markets.

1444 B. There is hereby established in the state treasury a special nonreverting fund to be known as the
1445 Commonwealth Rail Fund (the Fund). The Fund shall be established on the books of the Comptroller and
1446 shall consist of funds dedicated pursuant to subsection A 3 of § 33.2-1524.1. Interest earned on moneys
1447 in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including
1448 interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the
1449 Fund. Moneys in the Fund shall be used solely as provided in this section.

1450 C. The amounts dedicated to the Fund pursuant to § 33.2-1524.1 shall be deposited monthly by
1451 the Comptroller into the Fund. Thereafter, 91.5 percent shall be distributed to the Virginia Passenger Rail
1452 Authority as soon as practicable for use in accordance with the provisions of Article 6 (§ 33.2-290 et seq.)
1453 of Chapter 2. The remaining 8.5 percent shall remain in the Fund for the Department of Rail and Public
1454 Transportation for planning purposes and for grants for rail projects not administered by the Virginia
1455 Passenger Rail Authority. The Department may use up to \$4 million for the purposes of the Shortline
1456 Railway Preservation and Development Fund pursuant to § 33.2-1602.

1457 **§ 33.2-1526.3. Commonwealth Port Fund.**

1458 A. There is hereby created in the Department of the Treasury a special nonreverting fund that shall
1459 be a part of the Transportation Trust Fund and shall be known as the Commonwealth Port Fund (the Fund).

1460 B. The Fund shall be established on the books of the Comptroller and the funds remaining in such
1461 Fund at the end of a biennium shall not revert to the general fund but shall remain in the Fund. Interest
1462 earned on such funds shall remain in the Fund and be credited to it. Funds may be paid to any authority,
1463 locality, or commission for the purposes hereinafter specified.

C. The amounts allocated pursuant to this section shall be allocated by the Board to the Board of Commissioners of the Virginia Port Authority to be used to support port capital needs and the preservation of existing capital needs of all ocean, river, or tributary ports within the Commonwealth. Expenditures for such capital needs are restricted to those capital projects specified in subsection B of § 62.1-132.1.

D. Fund revenue shall be allocated by the Board of Commissioners to the Virginia Port Authority in order to foster and stimulate the flow of maritime commerce through the ports of Virginia, including but not limited to the ports of Richmond, Hopewell, and Alexandria.

§ 33.2-1526.4. Commonwealth Aviation Fund.

A. There is hereby created in the Department of the Treasury a special nonreverting fund that shall be part of the Transportation Trust Fund and shall be known as the Commonwealth Aviation Fund (the Fund). The Fund shall be established on the books of the Comptroller and any funds remaining in the Fund at the end of a biennium shall not revert to the general fund but shall remain in the Fund. Interest earned on the funds shall be credited to the Fund. The funds shall be allocated by the Board to the Virginia Aviation Board, to be allocated by the Virginia Aviation Board to any Virginia airport that is owned by the Commonwealth, a governmental subdivision thereof, or a private entity to which the public has access for the purposes enumerated in § 5.1-2.16, or is owned or leased by the Metropolitan Washington Airports Authority (MWAA), as follows:

B. Any new funds in excess of \$12.1 million that are available for allocation by the Virginia Aviation Board shall be allocated as follows: 60 percent to MWAA, up to a maximum annual amount of \$2 million, and 40 percent to air carrier airports as provided in subdivision 1. Except for adjustments due to changes in enplaned passengers, no air carrier airport sponsor, excluding MWAA, shall receive less funds identified under subdivision 1 than it received in fiscal year 1994–1995.

Of the remaining amount:

1. Forty percent of the funds shall be allocated to air carrier airports that are not airports owned or leased by MWAA, based upon the percentage of enplanements for each airport to total enplanements at all air carrier airports that are not airports owned or leased by MWAA. No air carrier airport sponsor shall receive less than \$50,000 nor more than \$2 million per year from this provision.

1491 2. Sixty percent of the funds shall be allocated as follows:

1492 a. For the first six months of each fiscal year, the funds shall be allocated as follows:

1493 (1) Forty percent of the funds shall be allocated by the Virginia Aviation Board for air carrier and
1494 reliever airports on a discretionary basis, except airports owned or leased by MWAA; and

1495 (2) Twenty percent of the funds shall be allocated by the Virginia Aviation Board for general
1496 aviation airports on a discretionary basis; and

1497 b. For the second six months of each fiscal year, all remaining funds shall be allocated by the
1498 Virginia Aviation Board for all eligible airports on a discretionary basis, except airports owned or leased
1499 by MWAA.

1500 C. The Virginia Aviation Board may use up to \$1 million in revenues in the Fund each year to
1501 support the development of additional commercial air services in the Commonwealth provided such
1502 service advances the goals established in the most recently adopted commercial air service plan pursuant
1503 to § 5.1-2.16. Prior to the use of funds pursuant to this subsection, the Virginia Aviation Board shall certify
1504 that the use of such funds cannot reasonably be anticipated to result in the reduction in commercial air
1505 service at another airport located within the Commonwealth.

1506 **§ 33.2-1526.5. Commonwealth Space Flight Fund.**

1507 A. There is hereby created in the Department of the Treasury a special nonreverting fund that shall
1508 be a part of the Commonwealth Transportation Fund and that shall be known as the Commonwealth Space
1509 Flight Fund (the Fund). The Fund shall be established on the books of the Comptroller and the funds
1510 remaining in such Fund at the end of a biennium shall not revert to the general fund but shall remain in
1511 the Fund. Interest earned on such funds shall remain in the Fund and be credited to it.

1512 B. The amounts allocated to the Commonwealth Space Flight Fund pursuant to § 33.2-1524 shall
1513 be allocated by the Board to the Board of Directors of the Virginia Commercial Space Flight Authority to
1514 be used to support the capital needs, maintenance, and operating costs of any and all facilities owned and
1515 operated by the Virginia Commercial Space Flight Authority.

1516 C. Commonwealth Space Flight Fund revenue shall be allocated by the Board of Directors to the
1517 Virginia Commercial Space Flight Authority in order to foster and stimulate the growth of the commercial
1518 space flight industry in Virginia.

1519 **§ 33.2-1527. Priority Transportation Fund.**

1520 A. There is hereby created in the state treasury a special nonreverting fund to be known as the
1521 Priority Transportation Fund, ~~hereafter referred to as "~~(the Fund)." The Fund shall be established on the
1522 books of the Comptroller. Interest earned on moneys in the Fund shall remain in the Fund and be credited
1523 to it. All funds as may be designated in the appropriation act for deposit to the Fund shall be paid into the
1524 state treasury and credited to the Fund. Such funds shall include:

1525 1. Beginning with the fiscal year ending June 30, 2000, and for fiscal years thereafter, all revenues
1526 that exceed the official forecast, pursuant to § 2.2-1503, for (i) the Highway Maintenance and Operating
1527 Fund established in § 33.2-1530 and (ii) the allocation to highway and mass transit improvement projects
1528 as set forth in ~~§ 33.2-1526~~ § 33.2-1524.1, but not including any amounts that are allocated to the
1529 Commonwealth Port Fund and the Commonwealth Airport Fund under such section;

1530 2. All revenues deposited into the Fund pursuant to ~~§ 58.1-2534~~ subdivision A 7 of § 33.2-1524.1;

1531 3. All revenues deposited into the Fund pursuant to ~~subsection E of § 58.1-2289~~ § 33.2-226; and

1532 4. Any other such funds as may be transferred, allocated, or appropriated.

1533 All moneys in the Fund shall first be used for debt service payments on bonds or obligations for
1534 which the Fund is expressly required for making debt service payments, to the extent needed. The Fund
1535 shall be considered a part of the Transportation Trust Fund. Any moneys remaining in the Fund, including
1536 interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the
1537 Fund. Moneys in the Fund shall be used solely for the purposes enumerated in subsection B. Expenditures
1538 and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the
1539 Comptroller.

1540 B. The Board shall use the Fund to facilitate the financing of priority transportation projects
1541 throughout the Commonwealth. The Board may use the Fund by (i) expending amounts therein on such
1542 projects directly; (ii) payment to any authority, locality, commission, or other entity for the purpose of

1543 paying the costs thereof; or (iii) using such amounts to support, secure, or leverage financing for such
1544 projects. No expenditures from or other use of amounts in the Fund shall be considered in allocating
1545 highway maintenance and construction funds under § 33.2-358 or apportioning Transportation Trust Fund
1546 funds under § 58.1-638 but shall be in addition thereto. The Board shall use the Fund to facilitate the
1547 financing of priority transportation projects as designated by the General Assembly, provided that at the
1548 discretion of the Board funds allocated to projects within a transportation district may be allocated among
1549 projects within the same transportation district as needed to meet construction cash-flow needs.

1550 C. Notwithstanding any other provision of this section, beginning July 1, 2007, no bonds,
1551 obligations, or other evidences of debt (the bonds) that expressly require as a source for debt service
1552 payments or for the repayment of such bonds the revenues of the Fund shall be issued or entered into,
1553 unless at the time of the issuance the revenues then in the Fund or reasonably anticipated to be deposited
1554 into the Fund pursuant to the law then in effect are by themselves sufficient to make 100 percent of the
1555 contractually required debt service payments on all such bonds, including any interest related thereto and
1556 the retirement of such bonds.

1557 **§ 33.2-1528. Concession Payments Account.**

1558 A. Concession payments to the Commonwealth deposited into the Transportation Trust Fund
1559 pursuant to subdivision ~~7~~ B 2 of § 33.2-1524 from qualifying transportation facilities developed and/or
1560 operated pursuant to the Public-Private Transportation Act of 1995 (§ 33.2-1800 et seq.) shall be held in
1561 a separate subaccount to be designated the Concession Payments Account, (the Account) together with all
1562 interest, dividends, and appreciation that accrue to the Account and that are not otherwise specifically
1563 directed by law or reserved by the Board for other purposes allowed by law.

1564 B. The Board may make allocations from the Account upon such terms and subject to such
1565 conditions as the Board deems appropriate to:

1566 1. Pay or finance all or part of the costs of programs or projects, including the costs of planning,
1567 operation, maintenance, and improvements incurred in connection with the acquisition and construction
1568 of projects, provided that allocations from the Account shall be limited to programs and projects that are
1569 reasonably related to or benefit the users of the qualifying transportation facility that was the subject of a

1570 concession pursuant to the Public-Private Transportation Act of 1995 (§ 33.2-1800 et seq.). The priorities
1571 of metropolitan planning organizations, planning district commissions, local governments, and
1572 transportation corridors shall be considered by the Board in making project allocations from moneys in
1573 the Account.

1574 2. Repay funds from the Toll Facilities Revolving Account or the Transportation Partnership
1575 Opportunity Fund.

1576 3. Pay the Board's reasonable costs and expenses incurred in the administration and management
1577 of the Account.

1578 C. Concession payments to the Commonwealth for a qualifying transportation facility located
1579 within the boundaries of a rapid rail project for which a federal Record of Decision has been issued shall
1580 be held in a subaccount separate from the Concession Payments Account together with all interest,
1581 dividends, and appreciation that accrue to the subaccount. The Board may make allocations from the
1582 subaccount as the Board deems appropriate to:

1583 1. Pay or finance all or part of the costs of planning, design, land acquisition, and improvements
1584 incurred in connection with the construction of such rapid rail project consistent with the issued federal
1585 Record of Decision, as may be revised; and

1586 2. Upon determination by the Board that sufficient funds are or will be available to meet the
1587 schedule for construction of such rapid rail project, pay or finance all or part of the costs of planning,
1588 design, land acquisition, and improvements incurred in connection with other highway and public
1589 transportation projects within the corridor of the rapid rail project or within the boundaries of the
1590 qualifying transportation facility. In the case of highway projects, the Board shall follow an approval
1591 process generally in accordance with subsection B of § 33.2-208.

1592 D. The provisions of this section shall be liberally construed to the end that its beneficial purposes
1593 may be effectuated. Insofar as this provision is inconsistent with the provisions of any other general,
1594 special, or local law, this provision shall be controlling.

1595 **§ 33.2-1529.1. Transportation Partnership Opportunity Fund.**

1596 A. There is hereby created the Transportation Partnership Opportunity Fund (the Fund) to be used
1597 by the Governor to provide funds to address the transportation aspects of economic development
1598 opportunities. The Fund shall consist of (i) ~~one-third of all interest, dividends, and appreciation that may~~
1599 ~~accrue to the Transportation Trust Fund and the Highway Maintenance and Operating Fund~~ funds pursuant
1600 to subdivision B 3 of § 33.2-1524 and (ii) any funds appropriated to it by the general appropriation act
1601 and revenue from any other source, public or private. The Fund shall be established on the books of the
1602 Comptroller, and any funds remaining in the Fund at the end of a biennium shall not revert to the general
1603 fund but shall remain in the Fund. All interest and dividends that are earned on the Fund shall be credited
1604 to the Fund. The Governor shall report to the Chairmen of the House Committees on Appropriations,
1605 Finance, and Transportation and the Senate Committees on Finance and Transportation as funds are
1606 awarded in accordance with this section.

1607 B. The Fund shall be a subfund of the Transportation Trust Fund. Provisions of this title and Title
1608 58.1 relating to the allocations or disbursements of proceeds of the Commonwealth Transportation Fund,
1609 the Transportation Trust Fund, or the Highway Maintenance and Operating Fund shall not apply to the
1610 Fund.

1611 C. Funds shall be awarded from the Fund by the Governor as grants, revolving loans, or other
1612 financing tools and equity contributions to an agency or political subdivision of the Commonwealth. Loans
1613 shall be approved by the Governor and made in accordance with procedures established by the Board and
1614 approved by the Comptroller. Loans shall be interest-free and shall be repaid to the Fund. The Governor
1615 may establish the duration of any loan, but such term shall not exceed seven years. The Department shall
1616 be responsible for monitoring repayment of such loans and reporting the receivables to the Comptroller
1617 as required.

1618 D. Grants or revolving loans may be used for transportation capacity development on and off site;
1619 road, rail, mass transit, or other transportation access costs beyond the funding capability of existing
1620 programs; studies of transportation projects, including environmental analysis, geotechnical assessment,
1621 survey, design and engineering, advance right-of-way acquisition, traffic analysis, toll sensitivity studies,
1622 and financial analysis; or anything else permitted by law. Funds may be used for any transportation project

1623 or any transportation facility. Any transportation infrastructure completed with moneys from the Fund
1624 shall not become private property, and the results of any studies or analysis completed as a result of a
1625 grant or loan from the Fund shall be property of the Commonwealth.

1626 E. The Board, in consultation with the Secretary of Transportation and the Secretary of Commerce
1627 and Trade, shall develop guidelines and criteria that shall be used in awarding grants or making loans from
1628 the Fund; however, no grant shall exceed \$5 million and no loan shall exceed \$30 million. No grant or
1629 loan shall be awarded until the Governor has provided copies of the guidelines and criteria to the Chairmen
1630 of the House Committees on Appropriations, Finance, and Transportation and the Senate Committees on
1631 Finance and Transportation. The guidelines and criteria shall include provisions including the number of
1632 jobs and amounts of investment that must be committed in the event moneys are being used for an
1633 economic development project, a statement of how the studies and analysis to be completed using moneys
1634 from the Fund will advance the development of a transportation facility, a process for the application for
1635 and review of grant and loan requests, a timeframe for completion of any work, the comparative benefit
1636 resulting from the development of a transportation project, assessment of the ability of the recipient to
1637 repay any loan funds, and other criteria as necessary to support the timely development of transportation
1638 projects. The criteria shall also include incentives to encourage matching funds from any other local,
1639 federal, or private source.

1640 F. Within 30 days of each six-month period ending June 30 and December 31, the Governor shall
1641 provide a report to the Chairmen of the House Committees on Appropriations, Finance, and Transportation
1642 and the Senate Committees on Finance and Transportation that shall include the following information:
1643 the locality in which the project is being developed, the amount of the grant or loan made or committed
1644 from the Fund and the purpose for which it will be used, the number of jobs created or projected to be
1645 created, and the amount of a company's investment in the Commonwealth if the project is part of an
1646 economic development opportunity.

1647 G. The Governor shall provide grants and commitments from the Fund in an amount not to exceed
1648 the total value of the moneys contained in the Fund. If the Governor commits funds for years beyond the
1649 fiscal years covered under the existing appropriation act, the State Treasurer shall set aside and reserve

1650 the funds the Governor has committed, and the funds set aside and reserved shall remain in the Fund for
1651 those future fiscal years. No grant or loan shall be payable in the years beyond the existing appropriation
1652 act unless the funds are currently available in the Fund.

1653 **§ 33.2-1530. Highway Maintenance and Operating Fund.**

1654 There is hereby created in the state treasury a special nonreverting fund to be known as the
1655 Highway Maintenance and Operating Fund, referred to in this section as "the Fund." The Fund shall be
1656 established on the books of the Comptroller. Any moneys remaining in the Fund at the end of each fiscal
1657 year shall not revert to the general fund but shall remain in the Fund.

1658 ~~The sources of funds for the Fund shall be paid into the state treasury and credited to the Fund and,~~
1659 ~~in addition to all funds appropriated by the General Assembly, includes~~ shall consist of the following:

1660 1. ~~Revenues generated pursuant to § 33.2-213~~ allocated pursuant to subdivision B 1 of § 33.2-
1661 1524;

1662 2. ~~Civil penalties collected pursuant to § 33.2-216~~ pursuant to §§ 33.2-216, 33.2-1224, 33.2-1229,
1663 46.2-341.20:2, 46.2-1573, 46.2-1573.11, 46.2-1573.23, and 46.2-1573.36;

1664 3. ~~Civil penalties collected pursuant to § 33.2-1224;~~

1665 4. ~~Civil penalties collected pursuant to § 33.2-1229;~~

1666 5. ~~Permit fees as outlined in § 46.2-652.1~~ pursuant to §§ 46.2-1128, 46.2-1140.1, 46.2-1142.1,
1667 46.2-1143, 46.2-1148, and 46.2-1149.1; and

1668 6. ~~Revenues generated pursuant to § 46.2-702.1;~~

1669 7. ~~Permit fees pursuant to §§ 46.2-1128, 46.2-1140.1, 46.2-1142.1, 46.2-1143, 46.2-1148, and~~
1670 46.2-1149.1;

1671 8. 5. ~~Applicable portions of emissions inspection fees from on-road emissions inspectors as~~
1672 designated in § 46.2-1182;

1673 9. ~~Revenues from subsection G of § 58.1-638 and § 58.1-638.3;~~

1674 10. ~~Revenues generated pursuant to subsection B of § 58.1-2249;~~

1675 11. ~~Revenues as apportioned in subsection E of § 58.1-2289;~~

1676 12. ~~Revenues as outlined in subsection A of § 58.1-2425; and~~

~~13. Taxes and fees pursuant to § 58.1-2701~~

6. Any other funds appropriated by the General Assembly.

In any year in which the Board determines funding in excess of the amount provided pursuant to § 33.2-1524 is necessary for the Robert O. Norris Bridge and Statewide Special Structure Program pursuant to § 33.2-374, the Board shall allocate moneys from the Fund to the Robert O. Norris Bridge and Statewide Special Structures Fund established pursuant to § 33.2-1532.

§ 33.2-1532. Robert O. Norris Bridge and Statewide Special Structure Fund.

A. There is hereby created in the state treasury a special nonreverting fund to be known as the Robert O. Norris Bridge and Statewide Special Structure Fund, referred to in this section as "the Fund." The Fund shall be established on the books of the Comptroller.

B. The amount allocated to the Fund pursuant to §§ ~~33.2-358, 33.2-369, 33.2-1524~~ and 33.2-1530 and any funds as may be appropriated by the General Assembly shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund.

C. Moneys in the Fund shall be allocated by the Board and used solely for the purposes of funding maintenance, rehabilitation, and replacement of ~~large and unique special~~ structures, as defined in § 33.2-374. ~~Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written request signed by the Secretary of Transportation. No later than November 30 each year, the Commissioner of Highways shall submit a report to the Governor and General Assembly on the use of moneys in the Fund.~~

§ 33.2-1604. Funds for administration of Department of Rail and Public Transportation.

The Commonwealth Transportation Board may annually allocate up to 3.5 percent of the revenues available each year in the funds established pursuant to §§ ~~33.2-1601, 33.2-1526.2 and 33.2-1602, and 33.2-1603~~ and subdivision A 4 of § 58.1-638 to support the costs of project development, project administration, and project compliance incurred by the Department of Rail and Public Transportation in implementing rail, public transportation, and congestion management programs and grants.

1704 § 33.2-1700. Definitions.

1705 As used in this chapter, unless the context requires a different meaning:

1706 "Board" means the Commonwealth Transportation Board, or if the Commonwealth Transportation
1707 Board is abolished, any board, commission, or officer succeeding to the principal functions thereof or
1708 upon whom the powers given by this chapter to the Board shall be given by law.

1709 "Cost of the project," as applied to a project to be acquired by purchase or by condemnation,
1710 includes:

- 1711 1. The purchase price or the amount of the award;**
- 1712 2. The cost of improvements, financing charges, and interest during any period of disuse before**
1713 completion of improvements;
- 1714 3. The cost of traffic estimates and of engineering data;**
- 1715 4. The cost of engineering and legal expenses;**
- 1716 5. The cost of plans, specifications and surveys, and estimates of cost and of revenues; and**
- 1717 6. Other expenses necessary or incident to determining the feasibility or practicability of the**
1718 enterprises, administrative expenses, and such other expenses as may be necessary or incident to the
1719 financing authorized in this chapter and the acquisition of the project and the placing of the project in
1720 operation.

1721 "Cost of the project," as applied to a project to be constructed, includes:

- 1722 1. The cost of construction;**
- 1723 2. The cost of all lands, properties, rights, easements, and franchises acquired that are deemed**
1724 necessary for such construction;
- 1725 3. The cost of acquiring by purchase or condemnation any ferry that is deemed by the Board to be**
1726 competitive with any bridge to be constructed;
- 1727 4. The cost of all machinery and equipment;**
- 1728 5. The cost of financing charges and interest prior to construction, during construction, and for one**
1729 year after completion of construction;
- 1730 6. The cost of traffic estimates and of engineering data;**

- 1731 7. The cost of engineering and legal expenses;
1732 8. The cost of plans, specifications and surveys, estimates of cost and of revenues; and
1733 9. Other expenses necessary or incident to determining the feasibility or practicability of the
1734 enterprise, administrative expenses, and such other expenses as may be necessary or incident to the
1735 financing authorized in this chapter, the construction of the project, the placing of the project in operation,
1736 and the condemnation of property necessary for such construction and operation.

1737 "Improvements" means those repairs to, replacements of, additions to, and betterments of a project
1738 acquired by purchase or by condemnation as are deemed necessary to place it in a safe and efficient
1739 condition for the use of the public, if such repairs, replacements, additions, and betterments are ordered
1740 prior to the sale of any bonds for the acquisition of such project.

1741 "Owner" includes all individuals, incorporated companies, partnerships, societies, and associations
1742 having any title or interest in any property rights, easements, or franchises authorized to be acquired by
1743 this chapter.

1744 "Project" means any one or more of the following:

1745 1. The York River Bridges, extending from a point within Yorktown in York County or within
1746 York County across the York River to Gloucester Point or some point in Gloucester County.

1747 2. The Rappahannock River Bridge, extending from Greys Point, or its vicinity, in Middlesex
1748 County, across the Rappahannock River to a point in the vicinity of White Stone, in Lancaster County, or
1749 at some other feasible point in the general vicinity of the two respective points.

1750 3. The James River Bridge, from a point at or near Jamestown, in James City County, across the
1751 James River to a point in Surry County.

1752 4. The James River, Chuckatuck, and Nansemond River Bridges, together with necessary
1753 connecting roads, in the Cities of Newport News and Suffolk and the County of Isle of Wight.

1754 5. The Hampton Roads Bridge-Tunnel or Bridge and Tunnel System, extending from a point or
1755 points in the Cities of Newport News and Hampton on the northwest shore of Hampton Roads across
1756 Hampton Roads to a point or points in the City of Norfolk or Suffolk on the southeast shore of Hampton
1757 Roads.

- 1758 6. Interstate 264, extending from a point in the vicinity of the intersection of Interstate 64 and U.S.
1759 Route 58 at Norfolk to some feasible point between London Bridge and U.S. Route 60.
- 1760 7. The Henrico-James River Bridge, extending from a point on the eastern shore of the James River
1761 in Henrico County to a point on the western shore, between Falling Creek and Bells Road interchanges of
1762 Interstate 95; however, the project shall be deemed to include all property, rights, easements, and
1763 franchises relating to this project and deemed necessary or convenient for its operation, including its
1764 approaches.
- 1765 8. The limited access highway between the Newport News/Williamsburg International Airport
1766 area and the Newport News downtown area, which generally runs parallel to tracks of the Chesapeake and
1767 Ohio Railroad.
- 1768 9. Transportation improvements in the Dulles Corridor, with an eastern terminus of the East Falls
1769 Church Metrorail station at Interstate 66 and a western terminus of Virginia Route 772 in Loudoun County,
1770 including without limitation the Dulles Toll Road; the Dulles Access Road; outer roadways adjacent or
1771 parallel thereto; mass transit, including rail; bus rapid transit; and capacity-enhancing treatments such as
1772 high-occupancy vehicle lanes, high-occupancy toll lanes, interchange improvements, commuter parking
1773 lots, and other transportation management strategies.
- 1774 10. Subject to the limitations and approvals of § 33.2-1712, any other highway for a primary
1775 highway transportation improvement district or transportation service district that the Board has agreed to
1776 finance under a contract with any such district or any other alternative mechanism for generation of local
1777 revenues for specific funding of a project satisfactory to the Board, the financing for which is to be secured
1778 by Transportation Trust Fund revenues under any appropriation made by the General Assembly for that
1779 purpose and payable first from revenues received under such contract or other local funding source;
1780 second, to the extent required, from funds appropriated and allocated, pursuant to the highway allocation
1781 formula as provided by law, to the highway construction district in which the project is located or to the
1782 county or counties in which the project is located; and third, to the extent required from other legally
1783 available revenues of the Transportation Trust Fund and from any other available source of funds.

1784 11. The U.S. Route 58 Corridor Development Program projects as defined in §§ 33.2-2300 and
1785 33.2-2301.

1786 12. The Northern Virginia Transportation District Program as defined in §§ 33.2-2400 and 33.2-
1787 2401.

1788 13. Any program for highways or mass transit or transportation facilities endorsed by the affected
1789 localities, which agree that certain distributions of state recordation taxes will be dedicated and used for
1790 the payment of any bonds or other obligations, including interest thereon, the proceeds of which were used
1791 to pay the cost of the program. Any such program shall be referred to as a "Transportation Improvement
1792 Program."

1793 14. Any project designated by the General Assembly financed in whole or part through the issuance
1794 of Commonwealth of Virginia Federal Highway Reimbursement Anticipation Notes.

1795 15. Any project authorized by the General Assembly financed in whole or in part by funds from
1796 the Priority Transportation Fund established pursuant to § 33.2-1527 or from the proceeds of bonds whose
1797 debt service is paid in whole or in part by funds from such Fund.

1798 16. Any project identified by the Board to be financed in whole or in part through the issuance of
1799 Commonwealth of Virginia Federal Transportation Grant Anticipation Revenue Notes.

1800 17. The Interstate 81 Corridor Improvement Program projects as defined in §§ 33.2-3600 and 33.2-
1801 3602.

1802 18. Railroad and other infrastructure improvements leading into Washington, D.C. from Virginia
1803 and new Metrorail-related improvements to, and serving, the Rosslyn Metrorail station in Arlington
1804 County.

1805 "Revenues" includes tolls and any other moneys received or pledged by the Board pursuant to this
1806 chapter, including legally available Transportation Trust Fund revenues and any federal highway
1807 reimbursements and any other federal highway assistance received by the Commonwealth.

1808 "Toll project" means a project financed in whole or in part through the issuance of revenue bonds
1809 that are secured by toll revenues generated by the project.

1810 "Undertaking" means all of the projects authorized to be acquired or constructed under this chapter.

1811 § 33.2-1701. General powers of Commonwealth Transportation Board.

1812 The Board may, subject to the provisions of this chapter:

1813 1. Acquire by purchase or by condemnation, construct, improve, operate, and maintain any one or
1814 more of the projects mentioned and included in the undertaking as defined in § 33.2-1700;

1815 2. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of
1816 Virginia Toll Revenue Bonds," payable from earnings and from any other available sources of funds, to
1817 pay the cost of such projects;

1818 3. Subject to the limitations and approvals of § 33.2-1712, issue revenue bonds of the
1819 Commonwealth to be known and designated as "Commonwealth of Virginia Transportation Contract
1820 Revenue Bonds," secured by Transportation Trust Fund revenues under a payment agreement between the
1821 Board and the Treasury Board, subject to their appropriation by the General Assembly and payable first
1822 from revenues received pursuant to contracts with a primary highway transportation improvement district
1823 or transportation service district or other local revenue sources for which specific funding of any such
1824 bonds may be authorized by law; second, to the extent required, from funds appropriated and allocated,
1825 pursuant to the highway allocation formula as provided by law, to the highway construction district in
1826 which the project to be financed is located or to the county or counties in which the project to be financed
1827 is located; and third, to the extent required, from other legally available revenues of the Transportation
1828 Trust Fund and from any other available source of funds;

1829 4. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of
1830 Virginia Transportation Revenue Bonds," secured (i) by revenues received from the U.S. Route 58
1831 Corridor Development Fund, subject to their appropriation by the General Assembly; (ii) to the extent
1832 required, from revenues legally available from the Transportation Trust Fund; and (iii) to the extent
1833 required, from any other legally available funds that have been appropriated by the General Assembly;

1834 5. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of
1835 Virginia Transportation Revenue Bonds," secured, subject to their appropriation by the General Assembly,
1836 (i) first from revenues received from the Northern Virginia Transportation District Fund; (ii) to the extent
1837 required, from funds appropriated and allocated, pursuant to the highway allocation formula as provided

by law, to the highway construction district in which the project to be financed is located or to the city or county in which the project to be financed is located; (iii) to the extent required, from legally available revenues of the Transportation Trust Fund; and (iv) from such other funds that may be appropriated by the General Assembly;

6. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of Virginia Transportation Program Revenue Bonds," secured, subject to their appropriation by the General Assembly, (i) first from any revenues received from any Set-aside Fund established by the General Assembly pursuant to § 58.1-816.1; (ii) to the extent required, from revenues received pursuant to any contract with a locality or any alternative mechanism for generation of local revenues for specific funding of a project satisfactory to the Board; (iii) to the extent required, from funds appropriated and allocated, pursuant to the highway allocation formula as provided by law, to the highway construction district in which the project to be financed is located or to the city or county in which the project to be financed is located; (iv) to the extent required, from legally available revenues of the Transportation Trust Fund; and (v) from such other funds that may be appropriated by the General Assembly. No bonds for any project shall be issued under the authority of this subdivision unless such project is specifically included in a bill or resolution passed by the General Assembly;

7. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of Virginia Transportation Program Revenue Bonds," secured, subject to their appropriation by the General Assembly, (i) first from any revenues received from the Commonwealth Transit Capital Fund established by the General Assembly pursuant to ~~subdivision A 4 c of § 58.1-638~~ § 33.2-1526.1:1; (ii) to the extent required, from legally available revenues of the Transportation Trust Fund; and (iii) from such other funds that may be appropriated by the General Assembly. No bonds for any project shall be issued under the authority of this subdivision unless such project is specifically included in a bill or resolution passed by the General Assembly;

8. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of Virginia Federal Highway Reimbursement Anticipation Notes," secured, subject to their appropriation by the General Assembly, (i) first from any federal highway reimbursements and any other federal highway

1865 assistance received by the Commonwealth; (ii) then, at the discretion of the Board, to the extent required,
1866 from legally available revenues of the Transportation Trust Fund; and (iii) then from such other funds, if
1867 any, that are designated by the General Assembly for such purpose;

1868 9. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of
1869 Virginia Credit Assistance Revenue Bonds," secured, subject to their appropriation by the General
1870 Assembly, solely from revenues with respect to or generated by the project being financed thereby and
1871 any tolls or other revenues pledged by the Board as security therefor and in accordance with the applicable
1872 federal credit assistance authorized with respect to such project by the U.S. Department of Transportation;

1873 10. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth
1874 of Virginia Transportation Capital Projects Revenue Bonds," secured, subject to their appropriation by the
1875 General Assembly, (i) from the revenues deposited into the Priority Transportation Fund established
1876 pursuant to § 33.2-1527; (ii) to the extent required, from revenues legally available from the
1877 Transportation Trust Fund; and (iii) to the extent required, from any other legally available funds;

1878 11. Issue grant anticipation notes of the Commonwealth from time to time to be known and
1879 designated as "Commonwealth of Virginia Federal Transportation Grant Anticipation Revenue Notes,"
1880 secured, subject to their appropriation by the General Assembly, (i) first from the project-specific
1881 reimbursements pursuant to § 33.2-1520; (ii) then, at the discretion of the Board, to the extent required,
1882 from legally available revenues of the Transportation Trust Fund; and (iii) then from such other funds, if
1883 any, that are designated by the General Assembly for such purpose;

1884 12. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth
1885 of Virginia Interstate 81 Program Revenue Bonds," secured, subject to appropriation by the General
1886 Assembly, by revenues received from the Interstate 81 Corridor Improvement Fund from deposits thereto
1887 pursuant to § 58.1-2299.20 derived from the receipt of the regional fuels tax levied pursuant to § 58.1-
1888 2295.1.

1889 13. Fix and collect tolls and other charges for the use of such projects or to refinance the cost of
1890 such projects;

1891 ~~13.~~ 14. Construct grade separations at intersections of any projects with public highways, railways,
1892 or streets and adjust the lines and grades thereof so as to accommodate the same to the design of such
1893 grade separations, the cost of such grade separations and any damage incurred in adjusting the lines and
1894 grades of such highways, railways, or streets to be ascertained and paid by the Board as a part of the cost
1895 of the project;

1896 ~~14.~~ 15. Vacate or change the location of any portion of any public highway and reconstruct the
1897 same at such new location as the Board deems most favorable for the project and of substantially the same
1898 type and in as good condition as the original highway, the cost of such reconstruction and any damage
1899 incurred in vacating or changing the location thereof to be ascertained and paid by the Board as a part of
1900 the cost of the project. Any public highway vacated or relocated by the Board shall be vacated or relocated
1901 in the manner provided by law for the vacation or relocation of public highways, and any damages awarded
1902 on account thereof may be paid by the Board as a part of the cost of the project;

1903 ~~15.~~ 16. Make reasonable regulations for the installation, construction, maintenance, repair,
1904 renewal, and relocation of pipes, mains, sewers, conduits, cables, wires, towers, poles, and other
1905 equipment and appliances, referred to in this subdivision as "public utility facilities," of the
1906 Commonwealth and of any locality, political subdivision, public utility, or public service corporation
1907 owning or operating the same in, on, along, over, or under the project. Whenever the Board determines
1908 that it is necessary that any such public utility facilities should be relocated or removed, the
1909 Commonwealth or such locality, political subdivision, public utility, or public service corporation shall
1910 relocate or remove the same in accordance with the order of the Board. The cost and expense of such
1911 relocation or removal, including the cost of installing such public utility facilities in a new location or
1912 locations, the cost of any lands or any rights or interests in lands, and any other rights acquired to
1913 accomplish such relocation or removal, shall be ascertained by the Board.

1914 On any toll project, the Board shall pay the cost and expense of relocation or removal as a part of
1915 the cost of the project for those public utility facilities owned or operated by the Commonwealth or such
1916 locality, political subdivision, public utility, or public service corporation. On all other projects under this
1917 chapter, the Board shall pay the cost and expense of relocation or removal as a part of the cost of the

project for those public utility facilities owned or operated by the Commonwealth or such locality or political subdivision. The Commonwealth or such locality, political subdivision, public utility, or public service corporation may maintain and operate such public utility facilities with the necessary appurtenances in the new location for as long a period and upon the same terms and conditions as it had the right to maintain and operate such public utility facilities in their former location;

~~16. 17.~~ Acquire by the exercise of the power of eminent domain any lands, property, rights, rights-of-way, franchises, easements, and other property, including public lands, parks, playgrounds, reservations, highways, or parkways, or parts thereof or rights therein, of any locality or political subdivision, deemed necessary or convenient for the construction or the efficient operation of the project or necessary in the restoration, replacement, or relocation of public or private property damaged or destroyed.

The cost of such projects shall be paid solely from the proceeds of Commonwealth of Virginia Toll or Transportation Contract Revenue Bonds or a combination thereof or from such proceeds and from any grant or contribution that may be made thereto pursuant to the provisions of this chapter;

~~17. 18.~~ Notwithstanding any provision of this chapter to the contrary, the Board shall be authorized to exercise the powers conferred in this chapter, in addition to its general powers to acquire rights-of-way and to construct, operate, and maintain state highways, with respect to any project that the General Assembly has authorized or may hereafter authorize to be financed in whole or in part through the issuance of bonds of the Commonwealth pursuant to the provisions of Article X, Section 9 (c) of the Constitution of Virginia;~~and~~

~~18. 19.~~ Enter into any agreements or take such other actions as the Board determines in connection with applying for or obtaining any federal credit assistance, including without limitation loan guarantees and lines of credit, pursuant to authorization from the U.S. Department of Transportation with respect to any project included in the Commonwealth's long-range transportation plan and the approved State Transportation Improvement Program; and

20. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of Virginia Passenger Rail Facilities Bonds," secured, subject to their appropriation by the General

1945 Assembly, (i) first, from net revenues resulting from tolls, rates, fees, and charges for or in connection
1946 with the use, occupancy, and services of the Transform 66 Inside the Beltway express lanes project and
1947 remaining after payment of expenses incurred in operating such project's tolling facilities; (ii) to the extent
1948 required, from legally available revenues of the Transportation Trust Fund; and (iii) to the extent required,
1949 from such other funds as may be appropriated by the General Assembly.

1950 **§ 33.2-1708. Revenue bonds.**

1951 The Board may provide by resolution, at one time or from time to time, for the issuance of revenue
1952 bonds, notes, or other revenue obligations of the Commonwealth for the purpose of paying all or any part
1953 of the cost, as defined in § 33.2-1700, of any one or more projects, as defined in § 33.2-1700. The principal
1954 or purchase price of, and redemption premium, if any, and interest on such obligations shall be payable
1955 solely from the special funds herein provided for such payment. For the purposes of this section, "special
1956 funds" includes any funds established for Commonwealth of Virginia Toll Revenue Bonds,
1957 Commonwealth of Virginia Transportation Contract Revenue Bonds, Commonwealth of Virginia
1958 Transportation Revenue Bonds, Commonwealth of Virginia Interstate 81 Program Revenue Bonds,
1959 Commonwealth of Virginia Federal Highway Reimbursement Anticipation Notes, or Commonwealth of
1960 Virginia Federal Transportation Grant Anticipation Revenue Notes, or Commonwealth of Virginia
1961 Passenger Rail Facilities Bonds.

1962 **§ 33.2-1709. Credit of Commonwealth not pledged.**

1963 A. Commonwealth of Virginia Toll Revenue Bonds issued under the provisions of this chapter
1964 shall not be deemed to constitute a debt of the Commonwealth or a pledge of the full faith and credit of
1965 the Commonwealth, but such bonds shall be payable solely from the funds provided therefor from tolls
1966 and revenues pursuant to this chapter, from bond proceeds or earnings thereon, and from any other
1967 available sources of funds. All such bonds shall state on their face that the Commonwealth is not obligated
1968 to pay the same or the interest thereon except from the special fund provided therefor from tolls and
1969 revenues under this chapter, from bond proceeds or earnings thereon, and from any other available sources
1970 of funds, and that the full faith and credit of the Commonwealth are not pledged to the payment of the
1971 principal or interest of such bonds. The issuance of such revenue bonds under the provisions of this chapter

1972 shall not directly or indirectly or contingently obligate the Commonwealth to levy or to pledge any form
1973 of taxation whatever therefor or to make any appropriation for their payment, other than appropriate
1974 available funds derived as revenues from tolls and charges under this chapter or derived from bond
1975 proceeds or earnings thereon and from any other available sources of funds.

1976 B. Commonwealth of Virginia Transportation Contract Revenue Bonds issued under the
1977 provisions of this chapter shall not be deemed to constitute a debt of the Commonwealth or a pledge of
1978 the full faith and credit of the Commonwealth, but such bonds shall be payable solely from the funds
1979 provided therefor pursuant to this chapter (i) from revenues received pursuant to contracts with a primary
1980 highway transportation district or transportation service district or any other alternative mechanism for
1981 generation of local revenues for specific funding of a project satisfactory to the Board; (ii) to the extent
1982 required, from funds appropriated and allocated, pursuant to the highway allocation formula as provided
1983 by law, to the highway construction district in which the project to be financed is located or to the county
1984 or counties in which such project is located; (iii) from bond proceeds or earnings thereon; (iv) to the extent
1985 required, from other legally available revenues of the Transportation Trust Fund; and (v) from any other
1986 available source of funds. All such bonds shall state on their face that the Commonwealth is not obligated
1987 to pay the same or the interest thereon except from revenues in clauses (i) and (iii) and that the full faith
1988 and credit of the Commonwealth are not pledged to the payment of the principal and interest of such
1989 bonds. The issuance of such revenue bonds under the provisions of this chapter shall not directly or
1990 indirectly or contingently obligate the Commonwealth to levy or to pledge any form of taxation whatever
1991 or to make any appropriation for their payment, other than to appropriate available funds derived as
1992 revenues under this chapter from the sources set forth in clauses (i) and (iii). Nothing in this chapter shall
1993 be construed to obligate the General Assembly to make any appropriation of the funds set forth in clause
1994 (ii) or (iv) for payment of such bonds.

1995 C. Commonwealth of Virginia Transportation Revenue Bonds issued under the provisions of this
1996 chapter shall not be deemed to constitute a debt of the Commonwealth or a pledge of the full faith and
1997 credit of the Commonwealth, but such bonds shall be payable solely from the funds provided therefor
1998 pursuant to this chapter (i) from revenues received from the U.S. Route 58 Corridor Development Fund

1999 established pursuant to § 33.2-2300, subject to their appropriation by the General Assembly; (ii) to the
2000 extent required, from revenues legally available from the Transportation Trust Fund; and (iii) to the extent
2001 required, from any other legally available funds that may be appropriated by the General Assembly.

2002 D. Commonwealth of Virginia Transportation Revenue Bonds issued under this chapter for
2003 Category 1 projects as provided in subdivision 12 of the definition of "project" in § 33.2-1700 shall not
2004 be deemed to constitute a debt of the Commonwealth or a pledge of the full faith and credit of the
2005 Commonwealth. Such bonds shall be payable solely, subject to their appropriation by the General
2006 Assembly, (i) first from revenues received from the Northern Virginia Transportation District Fund
2007 established pursuant to § 33.2-2400; (ii) to the extent required, from funds appropriated and allocated,
2008 pursuant to the highway allocation formula as provided by law, to the highway construction district in
2009 which the project to be financed is located or to the city or county in which the project to be financed is
2010 located; (iii) to the extent required, from legally available revenues of the Transportation Trust Fund; and
2011 (iv) from such other funds that may be appropriated by the General Assembly.

2012 E. Commonwealth of Virginia Transportation Program Revenue Bonds issued under this chapter
2013 for projects defined in subdivision 13 of the definition of "project" in § 33.2-1700 shall not be deemed to
2014 constitute a debt of the Commonwealth or a pledge of the full faith and credit of the Commonwealth. Such
2015 bonds shall be payable solely, subject to their appropriation by the General Assembly, (i) first from any
2016 revenues received from any Set-aside Fund established by the General Assembly pursuant to § 58.1-816.1;
2017 (ii) to the extent required, from revenues received pursuant to any contract with a locality or any alternative
2018 mechanism for generation of local revenues for specific funding of a project satisfactory to the Board; (iii)
2019 to the extent required, from funds appropriated and allocated, pursuant to the highway allocation formula
2020 as provided by law, to the highway construction district in which the project to be financed is located or
2021 to the city or county in which the project to be financed is located; (iv) to the extent required, from legally
2022 available revenues from the Transportation Trust Fund; and (v) from such other funds that may be
2023 appropriated by the General Assembly.

2024 F. Commonwealth of Virginia Federal Highway Reimbursement Anticipation Notes issued under
2025 this chapter shall not be deemed to constitute a debt of the Commonwealth or a pledge of the full faith and

2026 credit of the Commonwealth, but such obligations shall be payable solely, subject to appropriation by the
2027 General Assembly, (i) first from any federal highway reimbursements and any other federal highway
2028 assistance received by the Commonwealth; (ii) then, at the discretion of the Board, to the extent required,
2029 from legally available revenues of the Transportation Trust Fund; and (iii) then, from such other funds, if
2030 any, that are designated by the General Assembly for such purpose.

2031 G. Commonwealth of Virginia Transportation Credit Assistance Revenue Bonds issued under the
2032 provisions of this chapter shall not be deemed to constitute a debt of the Commonwealth or a pledge of
2033 the full faith and credit of the Commonwealth, but such obligations shall be payable solely, subject to
2034 appropriation by the General Assembly, from revenues with respect to or generated by the project being
2035 financed thereby and any tolls or other revenues pledged by the Board as security therefor and in
2036 accordance with the applicable federal credit assistance authorized with respect to such project by the U.S.
2037 Department of Transportation.

2038 H. Commonwealth of Virginia Transportation Capital Projects Revenue Bonds issued under the
2039 provisions of this chapter for projects as provided in subdivision 15 of the definition of "project" in § 33.2-
2040 1700 shall not be deemed to constitute a debt of the Commonwealth or a pledge of the full faith and credit
2041 of the Commonwealth, but such bonds shall be payable solely, subject to their appropriation by the General
2042 Assembly, (i) from the revenues deposited into the Priority Transportation Fund established pursuant to §
2043 33.2-1527; (ii) to the extent required, from revenues legally available from the Transportation Trust Fund;
2044 and (iii) to the extent required, from any other legally available funds.

2045 I. Commonwealth of Virginia Federal Transportation Grant Anticipation Revenue Notes issued
2046 under the provisions of Article 4 (§ 33.2-1511 et seq.) of Chapter 15 and this chapter shall not be deemed
2047 to constitute a debt of the Commonwealth or a pledge of the full faith and credit of the Commonwealth,
2048 but such notes shall be payable solely, subject to their appropriation by the General Assembly, (i) first
2049 from the project-specific reimbursements pursuant to § 33.2-1520; (ii) then, at the discretion of the Board,
2050 to the extent required, from legally available revenues of the Transportation Trust Fund; and (iii) then
2051 from such other funds, if any, that are designated by the General Assembly for such purpose.

2052 J. Commonwealth of Virginia Interstate 81 Program Revenue Bonds issued under the provisions
2053 of this chapter shall not be deemed to constitute a debt of the Commonwealth or a pledge of the full faith
2054 and credit of the Commonwealth, but such bonds shall be payable solely from the funds provided therefor
2055 pursuant to this chapter, subject to their appropriation by the General Assembly, from revenues received
2056 from the Interstate 81 Corridor Improvement Fund from deposits thereto pursuant to § 58.1-2299.20
2057 derived from the receipt of the regional fuels tax levied pursuant to § 58.1-2295.1.

2058 K. Commonwealth of Virginia Passenger Rail Facilities Bonds issued under the provisions of this
2059 chapter shall not be deemed to constitute a debt of the Commonwealth or a pledge of the full faith and
2060 credit of the Commonwealth but such bonds shall be payable solely from the funds provided therefor (i)
2061 from tolls, rates, fees, and charges pursuant to this chapter; (ii) from bond proceeds or earnings thereon;
2062 (iii) to the extent required, from legally available revenues of the Transportation Trust Fund; and (iv) to
2063 the extent required, from other available sources of funds. All such bonds shall state on their face that the
2064 Commonwealth is not obligated to pay the same or the interest thereon except from revenues and funds
2065 identified in clauses (i) through (iv), and the full faith and credit of the Commonwealth are not pledged to
2066 the payment of the principal of and interest on such bonds. The issuance of such revenue bonds under the
2067 provisions of this chapter shall not directly or indirectly or contingently obligate the Commonwealth to
2068 levy or to pledge any form of taxation whatsoever or to make any appropriation for their payment, other
2069 than to appropriate available funds derived as revenues under clauses (i) and (iii) and from sources under
2070 clauses (ii) and (iv).

2071 **§ 33.2-1803. Approval by the responsible public entity.**

2072 A. The private entity may request approval by the responsible public entity. Any such request shall
2073 be accompanied by the following material and information unless waived by the responsible public entity
2074 in its guidelines or other instructions given, in writing, to the private entity with respect to the
2075 transportation facility or facilities that the private entity proposes to develop and/or operate as a qualifying
2076 transportation facility:

2077 1. A topographic map (1:2,000 or other appropriate scale) indicating the location of the
2078 transportation facility or facilities;

- 2079 2. A description of the transportation facility or facilities, including the conceptual design of such
2080 facility or facilities and all proposed interconnections with other transportation facilities;
- 2081 3. The proposed date for development and/or operation of the transportation facility or facilities
2082 along with an estimate of the life-cycle cost of the transportation facility as proposed;
- 2083 4. A statement setting forth the method by which the private entity proposes to secure any property
2084 interests required for the transportation facility or facilities;
- 2085 5. Information relating to the current transportation plans, if any, of each affected locality or public
2086 entity;
- 2087 6. A list of all permits and approvals required for developing and/or operating improvements to
2088 the transportation facility or facilities from local, state, or federal agencies and a projected schedule for
2089 obtaining such permits and approvals;
- 2090 7. A list of public utility's, locality's, or political subdivision's facilities, if any, that will be crossed
2091 by the transportation facility or facilities and a statement of the plans of the private entity to accommodate
2092 such crossings;
- 2093 8. A statement setting forth the private entity's general plans for developing and/or operating the
2094 transportation facility or facilities, including identification of any revenue, public or private, or proposed
2095 debt or equity investment or concession proposed by the private entity;
- 2096 9. The names and addresses of the persons who may be contacted for further information
2097 concerning the request;
- 2098 10. Information on how the private entity's proposal will address the needs identified in the
2099 appropriate state, regional, or local transportation plan by improving safety, reducing congestion,
2100 increasing capacity, enhancing economic efficiency, or any combination thereof;
- 2101 11. A statement of the risks, liabilities, and responsibilities to be transferred, assigned, or assumed
2102 by the private entity for the development and/or operation of the transportation facility, including revenue
2103 risk and operations and maintenance; and
- 2104 12. Such additional material and information as the responsible public entity may reasonably
2105 request pursuant to its guidelines or other written instructions.

2106 B. The responsible public entity may request proposals from private entities for the development
2107 and/or operation of transportation facilities subject to the following:

2108 1. For transportation facilities where the Department of Transportation, the Virginia Passenger
2109 Rail Authority, or the Department of Rail and Public Transportation is the responsible public entity, the
2110 Transportation Public-Private Partnership Steering Committee established pursuant to § 33.2-1803.2 has
2111 determined that moving forward with the development and/or operation of the facility pursuant to this
2112 article serves the best interest of the public.

2113 2. A finding of public interest pursuant to § 33.2-1803.1 has been issued by the responsible public
2114 entity.

2115 3. The responsible public entity shall not charge a fee to cover the costs of processing, reviewing,
2116 and evaluating proposals received in response to such requests.

2117 C. The responsible public entity may grant approval of the development and/or operation of the
2118 transportation facility or facilities as a qualifying transportation facility if the responsible public entity
2119 determines that it is in the best interest of the public. The responsible public entity may determine that the
2120 development and/or operation of the transportation facility or facilities as a qualifying transportation
2121 facility serves the best interest of the public if:

2122 1. The private entity can develop and/or operate the transportation facility or facilities with a public
2123 contribution amount that is less than the maximum public contribution determined pursuant to subsection
2124 A of § 33.2-1803.1:1 for transportation facilities where the Department of Transportation, the Virginia
2125 Passenger Rail Authority, or the Department of Rail and Public Transportation is the responsible public
2126 entity;

2127 2. There is a public need for the transportation facility or facilities the private entity proposes to
2128 develop and/or operate as a qualifying transportation facility and for transportation facilities where the
2129 Department of Transportation or the Department of Rail and Public Transportation is the responsible
2130 public entity, such facility or facilities meet a need included in the plan developed pursuant to § 33.2-353;

2131 3. The plan for the development and/or operation of the transportation facility or facilities is
2132 anticipated to have significant benefits as determined pursuant to subdivision B 1 of § 33.2-1803.1;

2133 4. The private entity's plans will result in the timely development and/or operation of the
2134 transportation facility or facilities or their more efficient operation; and

2135 5. The risks, liabilities, and responsibilities transferred, assigned, or assumed by the private entity
2136 provide sufficient benefits to the public to not proceed with the development and/or operation of the
2137 transportation facility through other means of procurement available to the responsible public entity.

2138 In evaluating any request, the responsible public entity may rely upon internal staff reports
2139 prepared by personnel familiar with the operation of similar facilities or the advice of outside advisors or
2140 consultants having relevant experience.

2141 D. The responsible public entity shall not enter into a comprehensive agreement unless the chief
2142 executive officer of the responsible public entity certifies in writing to the Governor and the General
2143 Assembly that:

2144 1. The finding of public interest issued pursuant to § 33.2-1803.1 is still valid;

2145 2. The transfer, assignment, and assumption of risks, liabilities, and permitting responsibilities and
2146 the mitigation of revenue risk by the private sector have not materially changed since the finding of public
2147 interest was issued pursuant to § 33.2-1803.1; and

2148 3. The public contribution requested by the private entity does not exceed the maximum public
2149 contribution determined pursuant to subsection A of § 33.2-1803.1:1.

2150 Changes to the project scope that do not impact the assignment of risks or liabilities or the
2151 mitigation of revenue risk shall not be considered material changes to the finding of public interest,
2152 provided that such changes were presented in a public meeting to the Commonwealth Transportation
2153 Board, other state board, or the governing body of a locality, as appropriate.

2154 E. The responsible public entity may charge a reasonable fee to cover the costs of processing,
2155 reviewing, and evaluating the request submitted by a private entity pursuant to subsection A, including
2156 reasonable attorney fees and fees for financial and other necessary advisors or consultants. The responsible
2157 public entity shall also develop guidelines that establish the process for the acceptance and review of a
2158 proposal from a private entity pursuant to subsections A, B, C, and D. Such guidelines shall establish a
2159 specific schedule for review of the proposal by the responsible public entity, a process for alteration of

2160 that schedule by the responsible public entity if it deems that changes are necessary because of the scope
2161 or complexity of proposals it receives, the process for receipt and review of competing proposals, and the
2162 type and amount of information that is necessary for adequate review of proposals in each stage of review.
2163 For qualifying transportation facilities that have approved or pending state and federal environmental
2164 clearances, have secured significant right-of-way, have previously allocated significant state or federal
2165 funding, or exhibit other circumstances that could reasonably reduce the amount of time to develop and/or
2166 operate the qualifying transportation facility in accordance with the purpose of this chapter, the guidelines
2167 shall provide for a prioritized documentation, review, and selection process.

2168 F. The approval of the responsible public entity shall be subject to the private entity's entering into
2169 an interim agreement or a comprehensive agreement with the responsible public entity. For any project
2170 with an estimated construction cost of over \$50 million, the responsible public entity also shall require the
2171 private entity to pay the costs for an independent audit of any and all traffic and cost estimates associated
2172 with the private entity's proposal, as well as a review of all public costs and potential liabilities to which
2173 taxpayers could be exposed (including improvements to other transportation facilities that may be needed
2174 as a result of the proposal, failure by the private entity to reimburse the responsible public entity for
2175 services provided, and potential risk and liability in the event the private entity defaults on the
2176 comprehensive agreement or on bonds issued for the project). This independent audit shall be conducted
2177 by an independent consultant selected by the responsible public entity, and all such information from such
2178 review shall be fully disclosed.

2179 G. In connection with its approval of the development and/or operation of the transportation
2180 facility or facilities as a qualifying transportation facility, the responsible public entity shall establish a
2181 date for the acquisition of or the beginning of construction of or improvements to the qualifying
2182 transportation facility. The responsible public entity may extend such date.

2183 H. The responsible public entity shall take appropriate action, as more specifically set forth in its
2184 guidelines, to protect confidential and proprietary information provided by the private entity pursuant to
2185 an agreement under subdivision 11 of § 2.2-3705.6.

2186 I. The responsible public entity may also apply for, execute, and/or endorse applications submitted
2187 by private entities to obtain federal credit assistance for qualifying projects developed and/or operated
2188 pursuant to this chapter.

2189 **§ 33.2-1803.1. Finding of public interest.**

2190 A. Prior to the meeting of the Committee pursuant to subsection C of § 33.2-1803.2, the chief
2191 executive officer of the responsible public entity shall make a finding of public interest. Such finding shall
2192 include information set forth in subsection B. For transportation facilities where the Department of
2193 Transportation, the Virginia Passenger Rail Authority, or the Department of Rail and Public
2194 Transportation is the responsible public entity, the Secretary of Transportation, in his role as chairman of
2195 the Board, must concur with the finding of public interest.

2196 B. At a minimum, a finding of public interest shall contain the following information:

2197 1. A description of the benefits expected to be realized by the responsible public entity through the
2198 development and/or operation of the transportation facility, including person throughput, congestion
2199 mitigation, safety, economic development, environmental quality, and land use.

2200 2. An analysis of the public contribution necessary for the development and/or operation of the
2201 facility or facilities pursuant to subsection A of § 33.2-1803.1:1, including a maximum public contribution
2202 that will be allowed under the procurement.

2203 3. A description of the benefits expected to be realized by the responsible public entity through the
2204 use of this chapter compared with the development and/or operation of the transportation facility through
2205 other options available to the responsible public entity.

2206 4. A statement of the risks, liabilities, and responsibilities to be transferred, assigned, or assumed
2207 by the private entity, which shall include the following:

2208 a. A discussion of whether revenue risk will be transferred to the private entity and the degree to
2209 which any such transfer may be mitigated through other provisions in the interim or comprehensive
2210 agreements;

2211 b. A description of the risks, liabilities, and responsibilities to be retained by the responsible public
2212 entity; and

2213 c. Other items determined appropriate by the responsible public entity in the guidelines for this
2214 chapter.

2215 5. The determination of whether the project has a high, medium, or low level of project delivery
2216 risk and a description of how such determination was made. If the qualifying transportation facility is
2217 determined to contain high risk, a description of how the public's interest will be protected through the
2218 transfer, assignment, or assumption of risks or responsibilities by the private entity in the event that issues
2219 arise with the development and/or operation of the qualifying transportation facility.

2220 6. If the responsible public entity proposes to enter into an interim or comprehensive agreement
2221 pursuant to subdivision 2 of § 33.2-1819, information and the rationale demonstrating that proceeding in
2222 this manner is more beneficial than proceeding pursuant to subdivision 1 of § 33.2-1819.

2223 **§ 33.2-1803.1:1. Public sector analysis and competition.**

2224 A. For any transportation facility under consideration for development and/or operation under this
2225 chapter by the Department of Transportation, the Virginia Passenger Rail Authority, or the Department of
2226 Rail and Public Transportation, the responsible public entity shall ensure competition throughout the
2227 procurement process by developing a public sector option based on the analysis conducted in subsection
2228 B. The public sector option shall identify a maximum public contribution.

2229 B. The responsible public entity shall undertake, in cooperation with the Secretary of
2230 Transportation and the Secretary of Finance, a public sector analysis of the cost for the responsible entity
2231 to develop and/or operate the transportation facility or facilities being considered for development and/or
2232 operation pursuant to this chapter. At a minimum, such analysis shall contain the following information:

2233 1. Any mitigation of risk of user-fee financing through assumptions related to competing facilities,
2234 compensation for high usage of the facility by high-occupancy vehicles, or other considerations that may
2235 mitigate the risk of user-fee financing.

2236 2. Whether the Department of Transportation, the Virginia Passenger Rail Authority, or the
2237 Department of Rail and Public Transportation intends to maintain and operate the facility, or if the public
2238 sector option is based on the transfer of such responsibilities to the private sector.

2239 3. Public contribution, if any, that would still be required to cover all costs necessary for the
2240 development and/or operation of the transportation facility in excess of financing available should the
2241 General Assembly authorize the use of debt secured by a pledge of net revenues derived from rates, fees,
2242 or other charges and the full faith and credit of the Commonwealth pursuant to Article X, Section 9 (c) of
2243 the Constitution of Virginia.

2244 4. Funds provided to support nonuser fee generating components of the project that contribute to
2245 the benefits expected to be realized from the transportation facility pursuant to subdivision B 1 of § 33.2-
2246 1803.1.

2247 **§ 33.2-1803.2. Transportation Public-Private Partnership Steering Committee.**

2248 A. There is hereby established the Transportation Public-Private Partnership Steering Committee
2249 (the Committee) to evaluate and review financing options for the development and/or operation of
2250 transportation facility or facilities.

2251 The Committee shall consist of the following members:

- 2252 1. Two members of the Commonwealth Transportation Board;
- 2253 2. The staff director of the House Committee on Appropriations, or his designee, and the staff
2254 director of the Senate Committee on Finance, or his designee;
- 2255 3. A Deputy Secretary of Transportation who shall serve as the chairman;
- 2256 4. The chief financial officer of either the Department of Transportation or the Department of Rail
2257 and Public Transportation, as appropriate; and
- 2258 5. A nonagency public financial expert, as selected by the Secretary of Transportation.

2259 B. Prior to the initiation of any procurement pursuant to § 33.2-1803 by the Department of
2260 Transportation, the Virginia Passenger Rail Authority, or the Department of Rail and Public
2261 Transportation, the Committee shall meet to review the public sector analysis and competition developed
2262 pursuant to § 33.2-1803.1:1 and concur that:

- 2263 1. The assumptions regarding the project scope, benefits, and costs of the public sector option
2264 developed pursuant to § 33.2-1803.1:1 were fully and reasonably developed;

2265 2. The assumed financing costs and valuation of both financial and construction risk mitigation
2266 included in the public sector option are financially sound and reflect the best interest of the public; and

2267 3. The terms sheet developed for the proposed procurement contains all necessary elements.

2268 C. After receipt of responses to the request for qualifications, but prior to the issuance of the first
2269 draft request for proposals, the Committee shall meet to determine that the development and/or operation
2270 of the transportation facility or facilities as a qualifying transportation facility serves the public interest
2271 pursuant to § 33.2-1803.1. If the Committee makes an affirmative determination, as evidenced by an
2272 affirmative vote of a majority of the members of the Committee, the Department of Transportation or the
2273 Department of Rail and Public Transportation may proceed with the procurement pursuant to § 33.2-1803.

2274 D. Meetings of the Committee shall be open to the public, and meetings will be scheduled on an
2275 as-needed basis. However, the Committee may convene a closed session pursuant to the provisions of
2276 subdivisions A 6 and 29 of § 2.2-3711 to allow the Committee to review the public sector analysis and
2277 competition and to review proposals received pursuant to a request for qualifications.

2278 E. The Committee shall, within 10 business days of any meeting, report on the findings of such
2279 meeting. Such report shall be made to the Chairmen of the House and Senate Committees on
2280 Transportation, the House Committee on Appropriations, and the Senate Committee on Finance.

2281 F. Within 60 days of the execution of a comprehensive agreement pursuant to § 33.2-1803, the
2282 Department of Transportation or the Department of Rail and Public Transportation, as appropriate, shall,
2283 in closed session, brief the Committee on the details of the final bids received and the details of the
2284 evaluation of such bids.

2285 **§ 33.2-1809. Interim agreement.**

2286 A. Prior to or in connection with the negotiation of the comprehensive agreement, the responsible
2287 public entity may enter into an interim agreement with the private entity proposing the development and/or
2288 operation of the facility or facilities. Such interim agreement may (i) permit the private entity to commence
2289 activities for which it may be compensated relating to the proposed qualifying transportation facility,
2290 including project planning and development, advance right-of-way acquisition, design and engineering,
2291 environmental analysis and mitigation, survey, conducting transportation and revenue studies, and

ascertaining the availability of financing for the proposed facility or facilities; (ii) establish the process and timing of the negotiation of the comprehensive agreement; and (iii) contain any other provisions related to any aspect of the development and/or operation of a qualifying transportation facility that the parties may deem appropriate.

B. Notwithstanding any provision of this chapter to the contrary, a responsible public entity may enter in to an interim agreement with multiple private entities if the responsible public entity determines in writing that it is in the public interest to do so.

C. The Department of Transportation, the Virginia Passenger Rail Authority, and the Department of Rail and Public Transportation shall not enter into an interim agreement for the development of a transportation facility under this chapter that either (i) establishes a process and timing of the negotiations of the comprehensive agreement or (ii) allows for competitive negotiations as set forth in § 2.2-4302.2.

§ 33.2-2300. U.S. Route 58 Corridor Development Fund.

There is hereby created in the Department of the Treasury a special nonreverting fund that shall be a part of the Transportation Trust Fund and that shall be known as the U.S. Route 58 Corridor Development Fund, referred to in this chapter as "the Fund," consisting of the first \$40 million of annual collections ~~of the state recordation taxes imposed by Chapter 8 of Title 58.1, provided, however, that this dedication shall not affect the local recordation taxes under subsection B of § 58.1-802 and § 58.1-814 from the Commonwealth Transportation Fund pursuant to § 33.2-1524.~~ The Fund shall also include such other funds as may be appropriated by the General Assembly and designated for the Fund and all interest, dividends, and appreciation that may accrue thereto. Any moneys remaining in the Fund at the end of a biennium shall not revert to the general fund, but shall remain in the Fund. Allocations from the Fund may be paid to any authority, locality, or commission for the purposes specified in § 33.2-2301.

§ 33.2-2301. U.S. Route 58 Corridor Development Program.

A. The General Assembly declares it to be in the public interest that the economic development needs and economic growth potential of south-central and Southwest Virginia be addressed by the Fund. Moneys contained in the Fund shall be used for the costs of providing an adequate, modern, safe, and efficient highway system, generally along Virginia's southern boundary (the Program), including

2319 environmental and engineering studies, rights-of-way acquisition, construction, improvements, and
2320 financing costs.

2321 B. Allocations from the Fund shall be made annually by the Commonwealth Transportation Board
2322 for the creation and enhancement of a safe, efficient highway system connecting the communities,
2323 businesses, places of employment, and residents of the southwestern-most portion of the Commonwealth
2324 to the communities, businesses, places of employment, and residents of the southeastern-most portion of
2325 the Commonwealth, thereby enhancing the economic development potential, employment opportunities,
2326 mobility, and quality along such highway.

2327 C. Allocations from the Fund shall not diminish or replace allocations made or planned to be made
2328 from other sources or diminish allocations to which any highway, project, facility, district, system, or
2329 locality would be entitled under other provisions of this title, but shall be supplemental to other allocations
2330 to the end that highway resource improvements in the U.S. Route 58 Corridor may be accelerated and
2331 augmented. Notwithstanding any contrary provisions of this title, allocations from the Fund may be
2332 applied to highway projects in the Interstate System, primary or secondary state highway system, or urban
2333 highway system. Allocations under this subsection shall not be limited to projects involving only existing
2334 U.S. Route 58 but may be made to projects involving other highways, provided that the broader goal of
2335 creation of an adequate modern highway system generally along Virginia's southern boundary is served
2336 thereby.

2337 D. The Commonwealth Transportation Board may expend such funds from all sources as may be
2338 lawfully available to initiate the Program and to support bonds and other obligations referenced in
2339 subsection F. Any moneys expended from the Transportation Trust Fund for the Program, other than
2340 moneys contained in the Fund, may be reimbursed from the Fund, to the extent permitted by Article X,
2341 Section 9 of the Constitution of Virginia.

2342 E. The Commonwealth Transportation Board is encouraged to utilize the existing four-lane divided
2343 highways, available rights-of-way acquired for additional four-laning, bypasses, connectors, and alternate
2344 routes.

2345 F. To the extent permitted by Article X, Section 9 of the Constitution of Virginia, moneys
2346 contained in the Fund may be used to secure payment of bonds or other obligations, and the interest
2347 thereon, issued in furtherance of the purposes of this section. In addition, the Commonwealth
2348 Transportation Board is authorized to receive, dedicate, or use legally available Transportation Trust Fund
2349 revenues and any other available sources of funds to secure the payment of bonds or other obligations,
2350 including interest thereon, in furtherance of the Program. No bond or other obligations payable from
2351 revenues of the Fund shall be issued unless specifically approved by the General Assembly. No bond or
2352 other obligations, secured in whole or in part by revenues of the Fund, shall pledge the full faith and credit
2353 of the Commonwealth.

2354 G. Forty million dollars shall be transferred annually to the Fund with the first such transfer to be
2355 made on July 1, 1990, or as soon thereafter as reasonably practicable. Such transfer shall be made by the
2356 issuance of a treasury loan at no interest in the amount of \$40 million to the Fund to ensure that the Fund
2357 is fully funded on the first day of the fiscal year. Such treasury loan shall be repaid from ~~the~~
2358 ~~Commonwealth's portion of the state recordation tax imposed by Chapter 8 (§ 58.1-800 et seq.) of Title~~
2359 ~~58.1 designated for the Fund by § 33.2-2300~~ Commonwealth Transportation Fund pursuant to subsection
2360 C of § 33.2-1524. For each fiscal year following July 1, 1990, the Secretary of Finance is authorized to
2361 make additional treasury loans in the amount of \$40 million on July 1 of such fiscal years, and such
2362 treasury loans shall be repaid in a like manner as provided in this subsection.

2363 **§ 33.2-2400. Northern Virginia Transportation District Fund.**

2364 A. There is hereby created in the Department of the Treasury a special nonreverting fund that shall
2365 be a part of the Transportation Trust Fund and that shall be known as the Northern Virginia Transportation
2366 District Fund, referred to in this chapter as "the Fund," consisting of transfers ~~pursuant to § 58.1-816 of~~
2367 ~~annual collections of the state recordation taxes attributable to the Cities of Alexandria, Fairfax, Falls~~
2368 ~~Church, Manassas, and Manassas Park and the Counties of Arlington, Fairfax, Loudoun, and Prince~~
2369 ~~William; however, this dedication shall not affect the local recordation taxes under subsection B of § 58.1-~~
2370 ~~802 and § 58.1-814~~ \$20 million from the Commonwealth Transportation Fund pursuant to subsection C
2371 of § 33.2-1524. The Fund shall also include any public rights-of-way use fees appropriated by the General

2372 Assembly; any state or local revenues, including any funds distributed pursuant to § 33.2-366, that may
2373 be deposited into the Fund pursuant to a contract between a jurisdiction participating in the Northern
2374 Virginia Transportation District Program and the Commonwealth Transportation Board; and any other
2375 funds as may be appropriated by the General Assembly and designated for the Fund and all interest,
2376 dividends, and appreciation that may accrue thereto. Any moneys remaining in the Fund at the end of a
2377 biennium shall not revert to the general fund, but shall remain in the Fund, subject to the determination
2378 by the Commonwealth Transportation Board that a Category 2, 3, or 4 project may be funded.

2379 B. Allocations from the Fund may be paid (i) to any authority, locality, or commission for the
2380 purposes of paying the costs of the Northern Virginia Transportation District Program, which consists of
2381 the following: the Fairfax County Parkway, the Route 234 Bypass, Metrorail capital improvements
2382 attributable to Fairfax County including Metro parking expansions, Metrorail capital improvements
2383 including the Franconia-Springfield Metrorail Station and new rail car purchases, the Route 7
2384 improvements in Loudoun County and Fairfax County, the Route 50/Courthouse Road interchange
2385 improvements in Arlington County, the Route 28/Route 625 interchange improvements in Loudoun
2386 County, Metrorail capital improvements attributable to the City of Alexandria including the King Street
2387 Metrorail Station access, Metrorail capital improvements attributable to Arlington County including
2388 Ballston Station improvements, the Route 15 safety improvements in Loudoun County, the Route 28
2389 parallel roads in Loudoun County, the Route 28/Sterling Boulevard interchange in Loudoun County, the
2390 Route 1/Route 123 interchange improvements in Prince William County, the Lee Highway improvements
2391 in the City of Fairfax, the Route 123 improvements in Fairfax County, the Telegraph Road improvements
2392 in Fairfax County, the Route 123 Occoquan River Bridge, Gallows Road in Fairfax County, the Route
2393 1/Route 234 interchange improvements in Prince William County, the Potomac-Rappahannock
2394 Transportation Commission bus replacement program, and the Dulles Corridor Enhanced Transit program
2395 and (ii) for Category 4 projects as provided in § 2 of the act or acts authorizing the issuance of Bonds for
2396 the Northern Virginia Transportation District Program.

2397 C. On or before July 15, 1994, \$19 million shall be transferred to the Fund. Such transfer shall be
2398 made by the issuance of a treasury loan at no interest in the amount of \$19 million in the event such an

2399 amount is not included for the Fund in the general appropriation act enacted by the 1994 Session of the
2400 General Assembly. Such treasury loan shall be repaid from the ~~Commonwealth's portion of the state~~
2401 ~~recordation tax imposed by Chapter 8 (§ 58.1-800 et seq.) of Title 58.1 designated for the Fund by this~~
2402 ~~section and § 58.1-816~~ Commonwealth Transportation Fund pursuant to subsection C of § 33.2-1524.

2403 D. Beginning in fiscal year 2019, \$20 million each year shall be transferred from the Fund to the
2404 Washington Metropolitan Area Transit Authority Capital Fund established pursuant to § 33.2-3401.

2405 **§ 33.2-2509. Northern Virginia Transportation Authority Fund.**

2406 There is hereby created in the state treasury a special nonreverting fund for Planning District 8 to
2407 be known as the Northern Virginia Transportation Authority Fund, referred to in this chapter as "the
2408 Fund." The Fund shall be established on the books of the Comptroller. All revenues dedicated to the Fund
2409 pursuant to ~~§§ 58.1-638 and 58.1-802.4~~, any other funds that may be appropriated by the General
2410 Assembly, and any funds that may be received for the credit of the Fund from any other source shall be
2411 paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain
2412 in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end
2413 of each fiscal year shall not revert to the general fund but shall remain in the Fund.

2414 The amounts dedicated to the Fund pursuant to ~~§§ 58.1-638 and 58.1-802.4~~ shall be deposited
2415 monthly by the Comptroller into the Fund and thereafter distributed to the Authority as soon as practicable
2416 for use in accordance with § 33.2-2510. If the Authority determines that such moneys distributed to it
2417 exceed the amount required to meet the current needs and demands to fund transportation projects pursuant
2418 to § 33.2-2510, the Authority may invest such excess moneys to the same extent as provided in subsection
2419 A of § 33.2-1525 for excess funds in the Transportation Trust Fund.

2420 **§ 33.2-3601. Interstate 81 Corridor Improvement Fund.**

2421 A. There is hereby created in the state treasury a special nonreverting fund to be known as the
2422 Interstate 81 Corridor Improvement Fund. The Fund shall be established on the books of the Comptroller.
2423 All revenues dedicated to the Fund pursuant to ~~§§ 46.2-702.1:1, 58.1-2217.1, 33.2-372 and 58.1-2299.20,~~
2424 ~~and 58.1-2701~~, any other funds that may be appropriated by the General Assembly, and any funds that
2425 may be received for credit to the Fund from any other sources shall be paid into the state treasury and

2426 credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it.
2427 Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not
2428 revert to the general fund but shall remain in the Fund.

2429 B. Moneys in the Fund shall be used only for capital, operating, and other improvement costs
2430 identified in the Plan.

2431 C. The amounts deposited into the Fund and the distribution and expenditure of such amounts shall
2432 not be used to calculate or reduce the share of federal, state, or local revenues otherwise available to
2433 jurisdictions along the Interstate 81 corridor. Further, such revenues and moneys shall not be included in
2434 any computation of, or formula for, a locality's ability to pay for public education, upon which
2435 appropriations of state revenues to local governments for public education are determined.

2436 **§ 46.2-686. Portion of certain fees to be paid into special funds.**

2437 ~~Except~~ A. Before July 1, 2021, except as provided in subdivision A 13 of subsection A of § 46.2-
2438 694 and § 46.2-703, an amount equal to twenty 20 percent of the fees collected, after refunds, from the
2439 registration of motor vehicles, trailers, and semitrailers pursuant to this chapter, calculated at the rates in
2440 effect on December 31, 1986, shall be transferred from the special fund established by the provisions of §
2441 46.2-206 to a special fund in the state treasury to be used to meet the expenses of the Department.

2442 B. On and after July 1, 2020, but before July 1, 2021, in addition to the amounts provided in
2443 subsection A, \$5 million of the fees collected, after refunds, from the registration of motor vehicles,
2444 trailers, and semitrailers pursuant to this chapter shall be transferred from the special fund established
2445 pursuant to § 46.2-206 to a special fund in the state treasury to be used to meet the expenses of the
2446 Department. On and after July 1, 2020, but before July 1, 2021, \$2.8 million of the fees collected, after
2447 refunds, from the registration of motor vehicles, trailers, and semitrailers pursuant to this chapter shall be
2448 transferred from the special fund established pursuant to the provisions of § 46.2-206 and set aside to be
2449 used to meet the expenses of the Department of State Police.

2450 C. On and after July 1, 2021, except as provided in subdivision A 13 of § 46.2-694 and §§ 46.2-
2451 697.3 and 46.2-703, an amount equal to 28.2 percent of the fees collected, after refunds, from the
2452 registration of motor vehicles, trailers, and semitrailers pursuant to this chapter shall be transferred to a

2453 special fund in the state treasury to be used to meet the expenses of the Department, and 1.75 percent shall
2454 be set aside to be used to meet the expenses of the Department of State Police.

2455 **§ 46.2-694. (Contingent expiration date) Fees for vehicles designed and used for**
2456 **transportation of passengers; weights used for computing fees; burden of proof.**

2457 A. The annual registration fees for motor vehicles, trailers, and semitrailers designed and used for
2458 the transportation of passengers on the highways in the Commonwealth are:

2459 1. ~~Thirty-three~~ a. Thirteen dollars for each private passenger car ~~or motor home~~ if the passenger
2460 car ~~or motor home~~ weighs 4,000 pounds or less, provided that it is not used for the transportation of
2461 passengers for compensation and is not kept or used for rent or for hire, or is not operated under a lease
2462 without a chauffeur; however, the fee provided under this subdivision shall apply to a private passenger
2463 car ~~or motor home~~ that weighs 4,000 pounds or less and is used as a TNC partner vehicle as defined in §
2464 46.2-2000.

2465 b. Thirty-three dollars for each motor home if the motor home weighs 4,000 pounds or less,
2466 provided that it is not used for the transportation of passengers for compensation and is not kept or used
2467 for rent or for hire, or is not operated under a lease without a chauffeur.

2468 2. ~~Thirty-eight~~ a. Eighteen dollars for each private passenger car ~~or motor home~~ that weighs more
2469 than 4,000 pounds, provided that it is not used for the transportation of passengers for compensation and
2470 is not kept or used for rent or for hire, or is not operated under a lease without a chauffeur; however, the
2471 fee provided under this subdivision shall apply to a private passenger car ~~or motor home~~ that weighs more
2472 than 4,000 pounds and is used as a TNC partner vehicle as defined in § 46.2-2000.

2473 b. Thirty-eight dollars for each motor home if the motor home weighs more than 4,000 pounds,
2474 provided that it is not used for the transportation of passengers for compensation and is not kept or used
2475 for rent or for hire, or is not operated under a lease without a chauffeur.

2476 3. Thirty cents per 100 pounds or major fraction thereof for a private motor vehicle other than a
2477 motorcycle with a normal seating capacity of more than 10 adults, including the driver, if the private motor
2478 vehicle is not used for the transportation of passengers for compensation and is not kept or used for rent

2479 or for hire or is not operated under a lease without a chauffeur. In no case shall the fee be less than \$23 if
2480 the vehicle weighs 4,000 pounds or less or \$28 if the vehicle weighs more than 4,000 pounds.

2481 4. Thirty cents per 100 pounds or major fraction thereof for a school bus. In no case shall the fee
2482 be less than \$23 if the vehicle weighs 4,000 pounds or less or \$28 if the vehicle weighs more than 4,000
2483 pounds.

2484 5. Twenty-three dollars for each trailer or semitrailer designed for use as living quarters for human
2485 beings.

2486 6. Thirteen dollars plus \$0.30 per 100 pounds or major fraction thereof for each motor vehicle,
2487 trailer, or semitrailer used as a common carrier of passengers, operating either intrastate or interstate.
2488 Interstate common carriers of interstate passengers may elect to be licensed and pay the fees prescribed in
2489 subdivision 7 on submission to the Commissioner of a declaration of operations and equipment as he may
2490 prescribe. An additional \$5 shall be charged if the motor vehicle weighs more than 4,000 pounds.

2491 7. Thirteen dollars plus \$0.70 per 100 pounds or major fraction thereof for each motor vehicle,
2492 trailer, or semitrailer used as a common carrier of interstate passengers if election is made to be licensed
2493 under this subsection. An additional \$5 shall be charged if the motor vehicle weighs more than 4,000
2494 pounds. In lieu of the foregoing fee of \$0.70 per 100 pounds, a motor carrier of passengers, operating two
2495 or more vehicles both within and outside the Commonwealth and registered for insurance purposes with
2496 the Surface Transportation Board of the U.S. Department of Transportation, Federal Highway
2497 Administration, may apply to the Commissioner for prorated registration. Upon the filing of such
2498 application, in such form as the Commissioner may prescribe, the Commissioner shall apportion the
2499 registration fees provided in this subsection so that the total registration fees to be paid for such vehicles
2500 of such carrier shall be that proportion of the total fees, if there were no apportionment, that the total
2501 number of miles traveled by such vehicles of such carrier within the Commonwealth bears to the total
2502 number of miles traveled by such vehicles within and outside the Commonwealth. Such total mileage in
2503 each instance is the estimated total mileage to be traveled by such vehicles during the license year for
2504 which such fees are paid, subject to the adjustment in accordance with an audit to be made by
2505 representatives of the Commissioner at the end of such license year, the expense of such audit to be borne

2506 by the carrier being audited. Each vehicle passing into or through Virginia shall be registered and licensed
2507 in Virginia and the annual registration fee to be paid for each such vehicle shall not be less than \$33. For
2508 the purpose of determining such apportioned registration fees, only those motor vehicles, trailers, or
2509 semitrailers operated both within and outside the Commonwealth shall be subject to inclusion in
2510 determining the apportionment provided for herein.

2511 8. Thirteen dollars plus \$0.80 per 100 pounds or major fraction thereof for each motor vehicle,
2512 trailer or semitrailer kept or used for rent or for hire or operated under a lease without a chauffeur for the
2513 transportation of passengers. An additional fee of \$5 shall be charged if the vehicle weighs more than
2514 4,000 pounds. This subdivision does not apply to vehicles used as common carriers or as TNC partner
2515 vehicles as defined in § 46.2-2000.

2516 9. Twenty-three dollars for a taxicab or other vehicle which is kept for rent or hire operated with a
2517 chauffeur for the transportation of passengers, and which operates or should operate under permits issued
2518 by the Department as required by law. An additional fee of \$5 shall be charged if the vehicle weighs more
2519 than 4,000 pounds. This subdivision does not apply to vehicles used as common carriers or as TNC partner
2520 vehicles as defined in § 46.2-2000.

2521 10. ~~Eighteen~~ Ten dollars for a motorcycle, with or without a sidecar. To this fee shall be added a
2522 surcharge of \$3 which shall be distributed as provided in § 46.2-1191.

2523 10a. ~~Fourteen~~ Ten dollars for a moped, to be paid into the state treasury and set aside as a special
2524 fund to be used to meet the expenses of the Department.

2525 10b. ~~Eighteen~~ Ten dollars for an autocycle.

2526 11. Twenty-three dollars for a bus used exclusively for transportation to and from church school,
2527 for the purpose of religious instruction, or church, for the purpose of divine worship. If the empty weight
2528 of the vehicle exceeds 4,000 pounds, the fee shall be \$28.

2529 12. Thirteen dollars plus \$0.70 per 100 pounds or major fraction thereof for other passenger-
2530 carrying vehicles.

2531 13. An additional fee of \$4.25 per year shall be charged and collected at the time of registration of
2532 each pickup or panel truck and each motor vehicle under subdivisions 1 through 12. All funds collected

2533 from \$4 of the \$4.25 fee shall be paid into the state treasury and shall be set aside as a special fund to be
2534 used only for emergency medical services purposes. The moneys in the special emergency medical
2535 services fund shall be distributed as follows:

2536 a. Two percent shall be distributed to the State Department of Health to provide funding to the
2537 Virginia Association of Volunteer Rescue Squads to be used solely for the purpose of conducting
2538 volunteer recruitment, retention, and training activities;

2539 b. Thirty percent shall be distributed to the State Department of Health to support (i) emergency
2540 medical services training programs (excluding advanced life support classes); (ii) advanced life support
2541 training; (iii) recruitment and retention programs (all funds for such support shall be used to recruit and
2542 retain volunteer emergency medical services personnel only, including public awareness campaigns,
2543 technical assistance programs, and similar activities); (iv) emergency medical services system
2544 development, initiatives, and priorities based on needs identified by the State Emergency Medical Services
2545 Advisory Board; (v) local, regional, and statewide performance contracts for emergency medical services
2546 to meet the objectives stipulated in § 32.1-111.3; (vi) technology and radio communication enhancements;
2547 and (vii) improved emergency preparedness and response. Any funds set aside for distribution under this
2548 provision and remaining undistributed at the end of any fiscal year shall revert to the Rescue Squad
2549 Assistance Fund;

2550 c. Thirty-two percent shall be distributed to the Rescue Squad Assistance Fund;

2551 d. Ten percent shall be available to the State Department of Health's Office of Emergency Medical
2552 Services for use in emergency medical services; and

2553 e. Twenty-six percent shall be returned by the Comptroller to the locality wherein such vehicle is
2554 registered, to provide funding for training of volunteer or salaried emergency medical services personnel
2555 of nonprofit emergency medical services agencies that hold a valid license issued by the Commissioner
2556 of Health and for the purchase of necessary equipment and supplies for use in such locality for emergency
2557 medical services provided by nonprofit emergency medical services agencies that hold a valid license
2558 issued by the Commissioner of Health.

2559 All revenues generated by the remaining \$0.25 of the \$4.25 fee approved by the 2008 Session of
2560 the General Assembly shall be deposited into the Rescue Squad Assistance Fund and used only to pay for
2561 the costs associated with the certification and recertification training of emergency medical services
2562 personnel.

2563 The Comptroller shall clearly designate on the warrant, check, or other means of transmitting these
2564 funds that such moneys are only to be used for purposes set forth in this subdivision. Such funds shall be
2565 in addition to any local appropriations and local governing bodies shall not use these funds to supplant
2566 local funds. Each local governing body shall report annually to the Board of Health on the use of the funds
2567 returned to it pursuant to this section. In any case in which the local governing body grants the funds to a
2568 regional emergency medical services council to be distributed to the nonprofit emergency medical services
2569 agency that holds a valid license issued by the Commissioner of Health, the local governing body shall
2570 remain responsible for the proper use of the funds. If, at the end of any fiscal year, a report on the use of
2571 the funds returned to the locality pursuant to this section for that year has not been received from a local
2572 governing body, any funds due to that local governing body for the next fiscal year shall be retained until
2573 such time as the report has been submitted to the Board.

2574 B. All motor vehicles, trailers, and semitrailers registered as provided in subsection B of § 46.2-
2575 646 shall pay a registration fee equal to one-twelfth of all fees required by subsection A of this section or
2576 § 46.2-697 for such motor vehicle, trailer, or semitrailer, computed to the nearest cent, multiplied by the
2577 number of months in the registration period for such motor vehicles, trailers, and semitrailers.

2578 C. The manufacturer's shipping weight or scale weight shall be used for computing all fees required
2579 by this section to be based upon the weight of the vehicle.

2580 D. The applicant for registration bears the burden of proof that the vehicle for which registration
2581 is sought is entitled by weight, design, and use to be registered at the fee tendered by the applicant to the
2582 Commissioner or to his authorized agent.

2583 **§ 46.2-697. (Contingent expiration date) Fees for vehicles not designed or used for**
2584 **transportation of passengers.**

2585 A. Except as otherwise provided in this section, the fee for registration of all motor vehicles not
 2586 designed and used for the transportation of passengers shall be \$23 plus an amount determined by the
 2587 gross weight of the vehicle or combination of vehicles of which it is a part, when loaded to the maximum
 2588 capacity for which it is registered and licensed, according to the schedule of fees set forth in this section.
 2589 For each 1,000 pounds of gross weight, or major fraction thereof, for which any such vehicle is registered,
 2590 there shall be paid to the Commissioner the fee indicated in the following schedule immediately opposite
 2591 the weight group and under the classification established by the provisions of subsection B of § 46.2-711
 2592 into which such vehicle, or any combination of vehicles of which it is a part, falls when loaded to the
 2593 maximum capacity for which it is registered and licensed. The fee for a pickup or panel truck shall be ~~\$33~~
 2594 \$13 if its gross weight is 4,000 pounds or less, and ~~\$38~~ \$18 if its gross weight is 4,001 pounds through
 2595 6,500 pounds. The fee shall be ~~\$39~~ \$24 for any motor vehicle with a gross weight of 6,501 pounds through
 2596 10,000 pounds.

2597 Fee Per Thousand Pounds of Gross Weight

a Gross Weight	For Rent or	
	Private Carriers	For Hire Carriers
Groups (pounds)		
b 10,001 -- 11,000	\$3.17	\$4.75
c 11,001 -- 12,000	3.42	4.90
d 12,001 -- 13,000	3.66	5.15
e 13,001 -- 14,000	3.90	5.40
f 14,001 -- 15,000	4.15	5.65
g 15,001 -- 16,000	4.39	5.90
h 16,001 -- 17,000	4.88	6.15
i 17,001 -- 18,000	5.37	6.40
j 18,001 -- 19,000	5.86	7.50
k 19,001 -- 20,000	6.34	7.70
l 20,001 -- 21,000	6.83	7.90

m	21,001 -- 22,000	7.32	8.10
n	22,001 -- 23,000	7.81	8.30
o	23,001 -- 24,000	8.30	8.50
p	24,001 -- 25,000	8.42	8.70
q	25,001 -- 26,000	8.48	8.90
r	26,001 -- 27,000	10.07	10.35
s	27,001 -- 28,000	10.13	10.55
t	28,001 -- 29,000	10.18	10.75
u	29,001 -- 40,000	10.31	10.95
v	40,001 -- 45,000	10.43	11.15
w	45,001 -- 50,000	10.68	11.25
x	50,001 -- 55,000	11.29	13.25
y	55,001 -- 76,000	13.73	15.25
z	76,001 -- 80,000	16.17	16.25

2598 For all such motor vehicles exceeding a gross weight of 6,500 pounds, an additional fee of ~~five~~
2599 ~~dollars~~ \$5 shall be imposed.

2600 B. In lieu of registering any motor vehicle referred to in this section for an entire licensing year,
2601 the owner may elect to register the vehicle only for one or more quarters of a licensing year, and in such
2602 case, the fee shall be ~~twenty-five~~ 25 percent of the annual fee plus ~~five dollars~~ \$5 for each quarter that the
2603 vehicle is registered.

2604 C. When an owner elects to register and license a motor vehicle under subsection B of this section,
2605 the provisions of §§ 46.2-646 and 46.2-688 shall not apply.

2606 D. Notwithstanding any other provision of law, no vehicle designed, equipped, and used to tow
2607 disabled or inoperable motor vehicles shall be required to register in accordance with any gross weight
2608 other than the gross weight of the towing vehicle itself, exclusive of any vehicle being towed.

2609 E. All registrations and licenses issued for less than a full year shall expire on the date shown on
2610 the license and registration.

2611 **§ 46.2-752. Taxes and license fees imposed by counties, cities, and towns; limitations on**
2612 **amounts; disposition of revenues; requiring evidence of payment of personal property taxes and**
2613 **certain fines; prohibiting display of licenses after expiration; failure to display valid local license**
2614 **required by other localities; penalty.**

2615 A. Except as provided in § 46.2-755, counties, cities, and towns may levy and assess taxes and
2616 charge license fees on motor vehicles, trailers, and semitrailers. However, none of these taxes and license
2617 fees shall be assessed or charged by any county on vehicles owned by residents of any town located in the
2618 county when such town constitutes a separate school district if the vehicles are already subject to town
2619 license fees and taxes, nor shall a town charge a license fee to any new resident of the town, previously a
2620 resident of a county within which all or part of the town is situated, who has previously paid a license fee
2621 for the same tax year to such county. The amount of the license fee or tax imposed by any county, city, or
2622 town on any motor vehicle, trailer, or semitrailer shall not be greater than the annual or one-year fee
2623 imposed by the Commonwealth on the motor vehicle, trailer, or semitrailer in effect on January 1, 2020.

2624 The license fees and taxes shall be imposed in such manner, on such basis, for such periods, and subject
2625 to proration for fractional periods of years, as the proper local authorities may determine.

2626 Owners or lessees of motor vehicles, trailers, and semitrailers who have served outside of the
2627 United States in the armed services of the United States shall have a 90-day grace period, beginning on
2628 the date they are no longer serving outside the United States, in which to comply with the requirements of
2629 this section. For purposes of this section, "the armed services of the United States" includes active duty
2630 service with the regular Armed Forces of the United States or the National Guard or other reserve
2631 component.

2632 Local licenses may be issued free of charge for any or all of the following:

2633 1. Vehicles powered by clean special fuels as defined in § 46.2-749.3, including dual-fuel and bi-
2634 fuel vehicles,

2635 2. Vehicles owned by volunteer emergency medical services agencies,

- 2636 3. Vehicles owned by volunteer fire departments,
- 2637 4. Vehicles owned or leased by active members or active auxiliary members of volunteer
2638 emergency medical services agencies,
- 2639 5. Vehicles owned or leased by active members or active auxiliary members of volunteer fire
2640 departments,
- 2641 6. Vehicles owned or leased by auxiliary police officers,
- 2642 7. Vehicles owned or leased by volunteer police chaplains,
- 2643 8. Vehicles owned by surviving spouses of persons qualified to receive special license plates under
2644 § 46.2-739,
- 2645 9. Vehicles owned or leased by auxiliary deputy sheriffs or volunteer deputy sheriffs,
- 2646 10. Vehicles owned by persons qualified to receive special license plates under § 46.2-739,
- 2647 11. Vehicles owned by any of the following who served at least 10 years in the locality: former
2648 members of volunteer emergency medical services agencies, former members of volunteer fire
2649 departments, former auxiliary police officers, members and former members of authorized police
2650 volunteer citizen support units, members and former members of authorized sheriff's volunteer citizen
2651 support units, former volunteer police chaplains, and former volunteer special police officers appointed
2652 under former § 15.2-1737. In the case of active members of volunteer emergency medical services
2653 agencies and active members of volunteer fire departments, applications for such licenses shall be
2654 accompanied by written evidence, in a form acceptable to the locality, of their active affiliation or
2655 membership, and no member of an emergency medical services agency or member of a volunteer fire
2656 department shall be issued more than one such license free of charge,
- 2657 12. All vehicles having a situs for the imposition of licensing fees under this section in the locality,
- 2658 13. Vehicles owned or leased by deputy sheriffs; however, no deputy sheriff shall be issued more
2659 than one such license free of charge,
- 2660 14. Vehicles owned or leased by police officers; however, no police officer shall be issued more
2661 than one such license free of charge,

2662 15. Vehicles owned or leased by officers of the State Police; however, no officer of the State Police
2663 shall be issued more than one such license free of charge,

2664 16. Vehicles owned or leased by salaried firefighters; however, no salaried firefighter shall be
2665 issued more than one such license free of charge,

2666 17. Vehicles owned or leased by salaried emergency medical services personnel; however, no
2667 salaried emergency medical services personnel shall be issued more than one such license free of charge,

2668 18. Vehicles with a gross weight exceeding 10,000 pounds owned by museums officially
2669 designated by the Commonwealth,

2670 19. Vehicles owned by persons, or their surviving spouses, qualified to receive special license
2671 plates under subsection A of § 46.2-743, and

2672 20. Vehicles owned or leased by members of the Virginia Defense Force; however, no member of
2673 the Virginia Defense Force shall be issued more than one such license free of charge.

2674 The governing body of any county, city, or town issuing licenses under this section may by
2675 ordinance provide for a 50 percent reduction in the fee charged for the issuance of any such license issued
2676 for any vehicle owned or leased by any person who is 65 years old or older. No such discount, however,
2677 shall be available for more than one vehicle owned or leased by the same person.

2678 The governing body of any county, city, or town issuing licenses free of charge under this
2679 subsection may by ordinance provide for (i) the limitation, restriction, or denial of such free issuance to
2680 an otherwise qualified applicant, including without limitation the denial of free issuance to a taxpayer who
2681 has failed to timely pay personal property taxes due with respect to the vehicle and (ii) the grounds for
2682 such limitation, restriction, or denial.

2683 The situs for the imposition of licensing fees under this section shall in all cases, except as
2684 hereinafter provided, be the county, city, or town in which the motor vehicle, trailer, or semitrailer is
2685 normally garaged, stored, or parked. If it cannot be determined where the personal property is normally
2686 garaged, stored, or parked, the situs shall be the domicile of its owner. In the event the owner of the motor
2687 vehicle is a full-time student attending an institution of higher education, the situs shall be the domicile of

2688 such student, provided the student has presented sufficient evidence that he has paid a personal property
2689 tax on the motor vehicle in his domicile.

2690 B. The revenue derived from all county, city, or town taxes and license fees imposed on motor
2691 vehicles, trailers, or semitrailers shall be applied to general county, city, or town purposes.

2692 C. A county, city, or town may require that no motor vehicle, trailer, or semitrailer shall be locally
2693 licensed until the applicant has produced satisfactory evidence that all personal property taxes on the motor
2694 vehicle, trailer, or semitrailer to be licensed have been paid and satisfactory evidence that any delinquent
2695 motor vehicle, trailer, or semitrailer personal property taxes owing have been paid which have been
2696 properly assessed or are assessable against the applicant by the county, city, or town. A county, city, or
2697 town may also provide that no motor vehicle license shall be issued unless the tangible personal property
2698 taxes properly assessed or assessable by that locality on any tangible personal property used or usable as
2699 a dwelling titled by the Department of Motor Vehicles and owned by the taxpayer have been paid. Any
2700 county and any town within any such county may by agreement require that all personal property taxes
2701 assessed by either the county or the town on any vehicle be paid before licensure of such vehicle by either
2702 the county or the town.

2703 C1. The Counties of Dinwiddie, Lee, and Wise may, by ordinance or resolution adopted after
2704 public notice and hearing and, with the consent of the treasurer, require that no license may be issued
2705 under this section unless the applicant has produced satisfactory evidence that all fees, including
2706 delinquent fees, payable to such county or local solid waste authority, for the disposal of solid waste
2707 pursuant to the Virginia Water and Waste Authorities Act (§ 15.2-5100 et seq.), or pursuant to § 15.2-
2708 2159, have been paid in full. For purposes of this subsection, all fees, including delinquent fees, payable
2709 to a county for waste disposal services described herein, shall be paid to the treasurer of such county;
2710 however, in Wise County, the fee shall be paid to the county or its agent.

2711 D. The Counties of Arlington, Fairfax, Loudoun, and Prince William and towns within them and
2712 any city may require that no motor vehicle, trailer, or semitrailer shall be licensed by that jurisdiction
2713 unless all fines owed to the jurisdiction by the owner of the vehicle, trailer, or semitrailer for violation of
2714 the jurisdiction's ordinances governing parking of vehicles have been paid. The provisions of this

2715 subsection shall not apply to vehicles owned by firms or companies in the business of renting motor
2716 vehicles.

2717 E. If in any county imposing license fees and taxes under this section, a town therein imposes like
2718 fees and taxes on vehicles of owners resident in the town, the owner of any vehicle subject to the fees or
2719 taxes shall be entitled, on the owner's displaying evidence that he has paid the fees or taxes, to receive a
2720 credit on the fees or taxes imposed by the county to the extent of the fees or taxes he has paid to the town.
2721 Nothing in this section shall deprive any town now imposing these licenses and taxes from increasing
2722 them or deprive any town not now imposing them from hereafter doing so, but subject to the limitations
2723 provided in subsection D. The governing body of any county and the governing body of any town in that
2724 county wherein each imposes the license tax herein provided may provide mutual agreements so that not
2725 more than one license plate or decal in addition to the state plate shall be required.

2726 F. Notwithstanding the provisions of subsection E, in a consolidated county wherein a tier-city
2727 exists, the tier-city may, in accordance with the provisions of the agreement or plan of consolidation,
2728 impose license fees and taxes under this section in addition to those fees and taxes imposed by the county,
2729 provided that the combined county and tier-city rates do not exceed the maximum provided in subsection
2730 A. No credit shall be allowed on the fees or taxes imposed by the county for fees or taxes paid to the tier-
2731 city, except as may be provided by the consolidation agreement or plan. The governing body of any county
2732 and the governing body of any tier-city in such county wherein each imposes the license tax herein may
2733 provide by mutual agreement that no more than one license plate or decal in addition to the state license
2734 plate shall be required.

2735 G. Any county, city, or town may by ordinance provide that it shall be unlawful for any owner or
2736 operator of a motor vehicle, trailer, or semitrailer (i) to fail to obtain and, if any required by such ordinance,
2737 to display the local license required by any ordinance of the county, city or town in which the vehicle is
2738 registered, or (ii) to display upon a motor vehicle, trailer, or semitrailer any such local license, required
2739 by ordinance to be displayed, after its expiration date. The ordinance may provide that a violation shall
2740 constitute a misdemeanor the penalty for which shall not exceed that of a Class 4 misdemeanor and may,
2741 in the case of a motor vehicle registered to a resident of the locality where such vehicle is registered,

2742 authorize the issuance by local law-enforcement officers of citations, summonses, parking tickets, or
2743 uniform traffic summonses for violations. Any such ordinance may also provide that a violation of the
2744 ordinance by the registered owner of the vehicle may not be discharged by payment of a fine except upon
2745 presentation of satisfactory evidence that the required license has been obtained. Nothing in this section
2746 shall be construed to require a county, city, or town to issue a decal or any other tangible evidence of a
2747 local license to be displayed on the licensed vehicle if the county's, city's, or town's ordinance does not
2748 require display of a decal or other evidence of payment. No ordinance adopted pursuant to this section
2749 shall require the display of any local license, decal, or sticker on any vehicle owned by a public service
2750 company, as defined in § 56-76, having a fleet of at least 2,500 vehicles garaged in the Commonwealth.

2751 H. Except as provided by subsections E and F, no vehicle shall be subject to taxation under the
2752 provisions of this section in more than one jurisdiction. Furthermore, no person who has purchased a local
2753 vehicle license, decal, or sticker for a vehicle in one county, city, or town and then moves to and garages
2754 his vehicle in another county, city, or town shall be required to purchase another local license, decal, or
2755 sticker from the county, city, or town to which he has moved and wherein his vehicle is now garaged until
2756 the expiration date of the local license, decal, or sticker issued by the county, city, or town from which he
2757 moved.

2758 I. Purchasers of new or used motor vehicles shall be allowed at least a 10-day grace period,
2759 beginning with the date of purchase, during which to pay license fees charged by local governments under
2760 authority of this section.

2761 J. The treasurer or director of finance of any county, city, or town may enter into an agreement
2762 with the Commissioner whereby the Commissioner will refuse to issue or renew any vehicle registration
2763 of any applicant therefor who owes to such county, city, or town any local vehicle license fees or
2764 delinquent tangible personal property tax or parking citations. Before being issued any vehicle registration
2765 or renewal of such license or registration by the Commissioner, the applicant shall first satisfy all such
2766 local vehicle license fees and delinquent taxes or parking citations and present evidence satisfactory to the
2767 Commissioner that all such local vehicle license fees and delinquent taxes or parking citations have been
2768 paid in full. However, a vehicle purchased by an applicant subsequent to the onset of enforcement action

2769 under this subsection may be issued an initial registration for a period of up to 90 days to allow the
2770 applicant to satisfy all applicable requirements under this subsection, provided that a fee sufficient for the
2771 registration period, as calculated under subsection B of § 46.2-694, is paid. Such initial registration shall
2772 not be eligible for the one-month registration extension provided for in § 46.2-646.2 for this same purpose.
2773 The Commissioner shall charge a reasonable fee to cover the costs of such enforcement action, and the
2774 treasurer or director of finance may add the cost of this fee to the delinquent tax bill or the amount of the
2775 parking citation. The treasurer or director of finance of any county, city, or town seeking to collect
2776 delinquent taxes or parking citations through the withholding of registration or renewal thereof by the
2777 Commissioner as provided for in this subsection shall notify the Commissioner in the manner provided
2778 for in his agreement with the Commissioner and supply to the Commissioner information necessary to
2779 identify the debtor whose registration or renewal is to be denied. Any agreement entered into pursuant to
2780 the provisions of this subsection shall provide the debtor notice of the intent to deny renewal of registration
2781 or issuance of registration for any currently unregistered vehicle at least 30 days prior to the expiration
2782 date of a current vehicle registration. For the purposes of this subsection, notice by first-class mail to the
2783 registrant's address as maintained in the records of the Department of Motor Vehicles shall be deemed
2784 sufficient. In the case of parking violations, the Commissioner shall only refuse to issue or renew the
2785 vehicle registration of any applicant therefor pursuant to this subsection for the vehicle that incurred the
2786 parking violations. The provisions of this subsection shall not apply to vehicles owned by firms or
2787 companies in the business of renting motor vehicles.

2788 K. The governing bodies of any two or more counties, cities, or towns may enter into compacts for
2789 the regional enforcement of local motor vehicle license requirements. The governing body of each
2790 participating jurisdiction may by ordinance require the owner or operator of any motor vehicle, trailer, or
2791 semitrailer to display on his vehicle a valid local license issued by another county, city, or town that is a
2792 party to the regional compact, provided that the owner or operator is required by the jurisdiction of situs,
2793 as provided in § 58.1-3511, to obtain and display such license. The ordinance may also provide that no
2794 motor vehicle, trailer, or semitrailer shall be locally licensed until the applicant has produced satisfactory
2795 evidence that (i) all personal property taxes on the motor vehicle, trailer, or semitrailer to be licensed have

2796 been paid to all participating jurisdictions and (ii) any delinquent motor vehicle, trailer, or semitrailer
2797 personal property taxes that have been properly assessed or are assessable by any participating jurisdiction
2798 against the applicant have been paid. Any city and any county having the urban county executive form of
2799 government, the counties adjacent to such county and towns within them may require that no motor
2800 vehicle, trailer, or semitrailer shall be licensed by that jurisdiction or any other jurisdiction in the compact
2801 unless all fines owed to any participating jurisdiction by the owner of the vehicle for violation of any
2802 participating jurisdiction's ordinances governing parking of vehicles have been paid. The ordinance may
2803 further provide that a violation shall constitute a misdemeanor the penalty for which shall not exceed that
2804 of a Class 4 misdemeanor. Any such ordinance may also provide that a violation of the ordinance by the
2805 owner of the vehicle may not be discharged by payment of a fine and applicable court costs except upon
2806 presentation of satisfactory evidence that the required license has been obtained. The provisions of this
2807 subsection shall not apply to vehicles owned by firms or companies in the business of renting motor
2808 vehicles.

2809 L. In addition to the taxes and license fees permitted in subsection A, counties, cities, and towns
2810 may charge a license fee of no more than \$1 per motor vehicle, trailer, and semitrailer. Except for the
2811 provisions of subsection B, such fee shall be subject to all other provisions of this section. All funds
2812 collected pursuant to this subsection shall be paid pursuant to § 51.1-1204 to the Volunteer Firefighters'
2813 and Rescue Squad Workers' Service Award Fund to the accounts of all members of the Fund who are
2814 volunteers for fire departments or emergency medical services agencies within the jurisdiction of the
2815 particular county, city, or town.

2816 M. In any county, the county treasurer or comparable officer and the treasurer of any town located
2817 wholly or partially within such county may enter into a reciprocal agreement, with the approval of the
2818 respective local governing bodies, that provides for the town treasurer to collect license fees or taxes on
2819 any motor vehicle, trailer, or semitrailer owed to the county that are non-delinquent, delinquent, or both
2820 or for the county treasurer to collect license fees or taxes on any motor vehicle, trailer, or semitrailer owed
2821 to the town that are non-delinquent, delinquent, or both. A treasurer or comparable officer collecting any
2822 such license fee or tax pursuant to an agreement entered into under this subsection shall account for and

2823 pay over such amounts to the locality owed such license fee or tax in the same manner as provided by law.
2824 As used in this subsection, with regard to towns, "treasurer" means the town officer or employee vested
2825 with authority by the charter, statute, or governing body to collect local taxes.

2826 N. For any summons issued for a violation of this section, the court may, in its discretion, dismiss
2827 the summons, where proof of compliance with this section is provided to the court on or before the court
2828 date.

2829 CHAPTER 7.

2830 HIGHWAY USE FEE AND MILEAGE-BASED USER FEE PROGRAM.

2831 **§ 46.2-770. Definitions.**

2832 As used in this chapter, unless the context requires a different meaning:

2833 "Alternative fuel vehicle" means a vehicle that operates on a fuel that is not subject to the tax
2834 imposed pursuant to § 58.1-2217 and (i) is not subject to the tax imposed pursuant to § 58.1-2249, (ii) is
2835 not subject to the federal excise tax levied under § 4041 of the Internal Revenue Code, (iii) is a moped, or
2836 (iv) is not registered under the International Registration Plan.

2837 "Fuel-efficient vehicle" means a vehicle that has a combined miles per gallon rating, as determined
2838 by the U.S. Environmental Protection Agency, of 25 or greater.

2839 **§ 46.2-771. Purpose.**

2840 The purpose of this chapter is to ensure more equitable contributions to the Commonwealth
2841 Transportation Fund from alternative fuel vehicles, electric vehicles, and fuel-efficient vehicles using
2842 highways in the Commonwealth.

2843 **§ 46.2-772. Highway use fee.**

2844 A. Except as provided in subsection C, there is hereby imposed an annual highway use fee on any
2845 motor vehicle registered in the Commonwealth under § 46.2-694 or 46.2-697. The fee shall be collected
2846 by the Department at the time of vehicle registration. If the vehicle is registered for a period of other than
2847 one year as provided in § 46.2-646, the highway use fee shall be multiplied by the number of years or
2848 fraction thereof that the vehicle will be registered.

2849 B. For an electric motor vehicle as defined in § 58.1-2201, the highway use fee shall be 85 percent
2850 of the amount of tax paid under subsection A of § 58.1-2217 on fuel used by a vehicle with a combined
2851 fuel economy of 23.7 miles per gallon for the average number of miles traveled by a passenger vehicle in
2852 the Commonwealth. For all other motor vehicles, the highway use fee shall be 85 percent of the difference
2853 between the tax paid under Chapter 22 of Title 58.1 on the fuel used by a vehicle with a combined fuel
2854 economy equivalent to 23.7 miles per gallon for the average number of miles traveled by a passenger
2855 vehicle in the Commonwealth in a year and the tax paid under Chapter 22 of Title 58.1 on the fuel used
2856 by the vehicle being registered for the average number of miles traveled by a passenger vehicle in the
2857 Commonwealth in a year.

2858 In calculating the fuel used by the vehicle being registered, the Commissioner shall use combined
2859 fuel economy as determined by the manufacturer of the vehicle. If the Commissioner is unable to obtain
2860 the manufacturer's fuel economy for a vehicle, then the Commissioner shall calculate fuel use based upon
2861 the average fuel economy, as determined by the U.S. Environmental Protection Agency, of (i) all trucks
2862 having the same model year as the vehicle being registered, if the vehicle has a gross weight between
2863 6,000 pounds and 10,000 pounds, or (ii) all cars having the same model year as the vehicle. If data are not
2864 available for the model year of the vehicle being registered, then the Commissioner shall use data for the
2865 most recent model year for which data are available.

2866 The Commissioner shall update the fees calculated under this section July 1 of each year.

2867 C. This section shall not apply to:

2868 1. An auticycle, moped, or motorcycle;

2869 2. A vehicle with a gross weight over 10,000 pounds;

2870 3. A vehicle that is otherwise exempt from paying the tax imposed pursuant to § 58.1-2217; or

2871 4. A vehicle that is registered under the International Registration Plan.

2872 A vehicle shall not be subject to the fee set forth in this section in any year in which such vehicle
2873 is registered to participate in the mileage-based user fee program established pursuant to § 46.2-773.

2874 **§ 46.2-773. Mileage-based user fee program.**

2875 A. There is hereby established a mileage-based user fee program. The program shall be a voluntary
2876 program that allows owners of vehicles subject to the highway use fee pursuant to § 46.2-772 to pay a
2877 mileage-based fee in lieu of the highway use fee. No owner of a motor vehicle registered in the
2878 Commonwealth shall be required to participate in the program established pursuant to this section.

2879 B. In any year that an owner pays the fee set forth in this section, such owner shall not be subject
2880 to the fee set forth in § 46.2-772 for the same vehicle. In no case shall the fees paid pursuant to this section
2881 during a 12-month period exceed the annual highway use fee that would have otherwise been paid.

2882 C. The fee schedule for the mileage-based user fee program shall be calculated by dividing the
2883 amount of the highway use fee as determined pursuant to subsection B of § 46.2-770 by the average
2884 number of miles traveled by a passenger vehicle in the Commonwealth to determine a fee per mile driven.

2885 D. The Department shall establish procedures for the collection of the fees set forth in this section.
2886 Such procedures may limit the total number of participants during the first four years of the program.

2887 **§ 46.2-774. Distribution of revenues.**

2888 All revenues collected pursuant to this chapter shall be deposited into the Commonwealth
2889 Transportation Fund established pursuant to § 33.2-1524.

2890 **§ 46.2-1507. Penalties.**

2891 Except as otherwise provided in this chapter, any person violating any of the provisions of this
2892 chapter may be assessed a civil penalty by the Board. No such civil penalty shall exceed \$1,000 for any
2893 single violation. Civil penalties collected under this chapter shall be deposited in the Commonwealth
2894 Transportation ~~Trust~~ Fund established pursuant to § 33.2-1524.

2895 **§ 46.2-1546. Registration of dealers; fees.**

2896 Every manufacturer, distributor, or dealer, before he commences to operate vehicles in his
2897 inventory for sale or resale, shall apply to the Commissioner for a dealer's certificate of vehicle registration
2898 and license plates. For the purposes of this article, a vehicle is in inventory when it is owned by or assigned
2899 to a dealer and is offered and available for sale or resale. All dealer's certificates of vehicle registration
2900 and license plates issued under this section may, at the discretion of the Commissioner, be placed in a
2901 system of staggered issue to distribute the work of issuing vehicle registration certificates and license

2902 plates as uniformly as practicable throughout the year. Dealerships which sold fewer than ~~twenty-five~~ 25
2903 vehicles during the last ~~twelve~~ 12 months of the preceding license year shall be eligible to receive no more
2904 than two dealer's license plates; dealerships which sold at least ~~twenty-five~~ 25 but fewer than ~~fifty~~ 50
2905 vehicles during the last ~~twelve~~ 12 months of the preceding license year shall be eligible to receive no more
2906 than four dealer's license plates. However, dealerships ~~which~~ that sold ~~fifty~~ 50 or more vehicles during
2907 their current license year may apply for additional license plates not to exceed four times the number of
2908 licensed salespersons employed by that dealership. Dealerships ~~which~~ that sold ~~fifty~~ 50 or more vehicles
2909 during the last ~~twelve~~ 12 months of the preceding license year shall be eligible to receive a number of
2910 dealer's license plates not to exceed four times the number of licensed salespersons employed by that
2911 dealership. A new applicant for a dealership shall be eligible to receive a number of dealer's license plates
2912 not to exceed four times the number of licensed salespersons employed by that dealership. For the
2913 purposes of this article, a salesperson or employee shall be considered to be employed only if he (i) works
2914 for the dealership at least ~~twenty-five~~ 25 hours each week on a regular basis and (ii) is compensated for
2915 this work. All salespersons' or employees' employment records shall be retained in accordance with the
2916 provisions of § 46.2-1529. A salesperson shall not be considered employed, within the meaning of this
2917 section, if he is an independent contractor as defined by the United States Internal Revenue Code. The fee
2918 for the issuance of dealer's license plates shall be determined by the Board, but not more than \$30 per
2919 license plate; however, the fee for the first two dealer's plates shall not be less than ~~twenty-four dollars~~
2920 \$24 and the fee for additional dealer's license plates shall not be less than ~~ten dollars and forty cents~~ \$10.40
2921 each. For the first two dealer's license plates issued by the Department to a dealer, ~~twenty-four dollars~~ \$24
2922 shall be deposited into the Commonwealth Transportation ~~Trust~~ Fund established pursuant to § 33.2-1524
2923 and the remainder shall be deposited into the Motor Vehicle Dealer Fund. For each additional dealer's
2924 license plate issued to a dealer, ~~ten dollars and forty cents~~ \$10.40 shall be deposited into the Transportation
2925 Trust Fund and the remainder shall be deposited into the Motor Vehicle Dealer Fund.

2926 **§ 46.2-1573. Hearings and other remedies; civil penalties.**

2927 A. In every case of a hearing before the Commissioner authorized under this article, the
2928 Commissioner shall give reasonable notice of each hearing to all interested parties, and the

2929 Commissioner's decision shall be binding on the parties, subject to the rights of judicial review and appeal
2930 as provided in Chapter 40 (§ 2.2-4000 et seq.) of Title 2.2. In every case of a hearing before the
2931 Commissioner authorized under this article based on a request or petition of a motor vehicle dealer, the
2932 manufacturer, factory branch, distributor, or distributor branch shall have the burden of proving by a
2933 preponderance of the evidence that the manufacturer, factory branch, distributor, or distributor branch has
2934 good cause to take the action or actions for which the dealer has filed the petition for a hearing or that
2935 such actions are reasonable if required under the relevant provision.

2936 B. The hearing process before the Commissioner under this article shall commence within 90 days
2937 of the request for a hearing by prehearing conference between the hearing officer and the parties in person,
2938 by telephone, or by other electronic means designated by the Commissioner. The hearing officer will set
2939 the hearing on a date or dates consistent with the rights of due process of the parties. The Commissioner's
2940 decision shall be rendered within 60 days from the receipt of the hearing officer's recommendation.
2941 Hearings authorized under this article shall be presided over by a hearing officer selected from a list
2942 prepared by the Executive Secretary of the Supreme Court of Virginia within 60 days following the request
2943 for a hearing. Reasonable efforts shall be made to ensure that a hearing officer shall have at least five years
2944 of experience as a hearing officer in administrative hearings in the Commonwealth, shall have telephone
2945 and email capability, and shall be an active member of the Virginia State Bar. On request of the
2946 Commissioner, the Executive Secretary will name a hearing officer from the list, selected on a rotation
2947 system administered by the Executive Secretary. The hearing officer shall provide recommendations to
2948 the Commissioner within 90 days of the conclusion of the hearing.

2949 C. Notwithstanding any contrary provision of this article, the Commissioner shall initiate
2950 investigations, conduct hearings, and determine the rights of parties under this article whenever he is
2951 provided information by the Motor Vehicle Dealer Board or any other person indicating a possible
2952 violation of any provision of this article. The Commissioner shall issue a response to the Motor Vehicle
2953 Dealer Board or person reporting the alleged violation and any other party to the investigation providing
2954 an explanation of action taken under this section and the reason for such action.

2955 D. For purposes of any matter brought to the Commissioner under subdivisions 3, 4, 5, 6 and 7b
2956 of § 46.2-1569 with respect to which the Commissioner is to determine whether there is good cause for a
2957 proposed action or whether it would be unreasonable under the circumstances, the Commissioner shall
2958 consider:

- 2959 1. The volume of the affected dealer's business in the relevant market area;
- 2960 2. The nature and extent of the dealer's investment in its business;
- 2961 3. The adequacy of the dealer's capitalization to the franchisor's standards and the adequacy of the
2962 dealer's facilities, equipment, parts, supplies, and personnel;
- 2963 4. The effect of the proposed action on the community;
- 2964 5. The extent and quality of the dealer's service under motor vehicle warranties;
- 2965 6. The dealer's performance under the terms of its franchise;
- 2966 7. Other economic and geographical factors reasonably associated with the proposed action; and
- 2967 8. The recommendations, if any, from a three-member panel composed of members of the Board
2968 who are franchised dealers not of the same line-make involved in the hearing and who are appointed to
2969 the panel by the Commissioner.

2970 E. An interested party in a hearing held pursuant to subsection A of this section shall comply with
2971 the effective date of compliance established by the Commissioner in his decision in such hearing, unless
2972 a stay or extension of such date is granted by the Commissioner or the Commissioner's decision is under
2973 judicial review and appeal as provided in subsection A of this section. If, after notice to such interested
2974 party and an opportunity to comment, the Commissioner finds an interested party has not complied with
2975 his decision by the designated date of compliance, unless a stay or extension of such date has been granted
2976 by the Commissioner or the Commissioner's decision is under judicial review and appeal, the
2977 Commissioner may assess such interested party a civil penalty not to exceed \$1,000 per day of
2978 noncompliance. Civil penalties collected under this subsection shall be deposited into the Commonwealth
2979 Transportation Trust Fund established pursuant to § 33.2-1524.

2980 F. During the hearing process, parties may obtain documents and materials by discovery pursuant
2981 to Rules 4:9 and 4:9A of the Supreme Court of Virginia. The parties shall exchange reports of experts,

2982 which shall meet the standard of Rule 4:1 of the Supreme Court of Virginia, at times to be established by
2983 the hearing officer. The parties may utilize any other form of discovery provided under the Rules of
2984 Supreme Court of Virginia if allowed by the hearing officer based on good cause shown. For discovery
2985 permitted under the Rules of Supreme Court of Virginia, a party may object to the discovery sought or
2986 seek to limit the discovery sought on any grounds permitted by the Rules or applicable law.

2987 **§ 58.1-608.3. Entitlement to certain sales tax revenues.**

2988 A. As used in this section, the following words and terms have the following meanings, unless
2989 some other meaning is plainly intended:

2990 "Bonds" means any obligations of a municipality for the payment of money.

2991 "Cost," as applied to any public facility or to extensions or additions to any public facility, includes:
2992 (i) the purchase price of any public facility acquired by the municipality or the cost of acquiring all of the
2993 capital stock of the corporation owning the public facility and the amount to be paid to discharge any
2994 obligations in order to vest title to the public facility or any part of it in the municipality; (ii) expenses
2995 incident to determining the feasibility or practicability of the public facility; (iii) the cost of plans and
2996 specifications, surveys and estimates of costs and of revenues; (iv) the cost of all land, property, rights,
2997 easements and franchises acquired; (v) the cost of improvements, property or equipment; (vi) the cost of
2998 engineering, legal and other professional services; (vii) the cost of construction or reconstruction; (viii)
2999 the cost of all labor, materials, machinery and equipment; (ix) financing charges; (x) interest before and
3000 during construction and for up to one year after completion of construction; (xi) start-up costs and
3001 operating capital; (xii) payments by a municipality of its share of the cost of any multijurisdictional public
3002 facility; (xiii) administrative expense; (xiv) any amounts to be deposited to reserve or replacement funds;
3003 and (xv) other expenses as may be necessary or incident to the financing of the public facility. Any
3004 obligation or expense incurred by the public facility in connection with any of the foregoing items of cost
3005 may be regarded as a part of the cost.

3006 "Municipality" means any county, city, town, authority, commission, or other public entity.

3007 "Public facility" means (i) any auditorium, coliseum, convention center, or conference center,
3008 which is owned by a Virginia county, city, town, authority, or other public entity and where exhibits,

meetings, conferences, conventions, seminars, or similar public events may be conducted; (ii) any hotel which is owned by a foundation whose sole purpose is to benefit a baccalaureate public institution of higher education in the Commonwealth and which is attached to and is an integral part of such facility, together with any lands reasonably necessary for the conduct of the operation of such events; (iii) any hotel which is attached to and is an integral part of such facility; (iv) any hotel that is adjacent to a convention center owned by a public entity and where the hotel owner enters into a public-private partnership whereby the locality contributes infrastructure, real property, or conference space; or (v) a sports complex consisting of a minor league baseball stadium and related tournament, training, and parking facilities, where a municipality owns a component of the sports complex. However, such public facility must be located in the City of Fredericksburg, City of Hampton, City of Lynchburg, City of Newport News, City of Norfolk, City of Portsmouth, City of Richmond, City of Roanoke, City of Salem, City of Staunton, City of Suffolk, City of Virginia Beach, City of Winchester, or Town of Wise. Any property, real, personal, or mixed, which is necessary or desirable in connection with any such auditorium, coliseum, convention center, sports complex, or conference center, including, without limitation, facilities for food preparation and serving, parking facilities, and office space, is encompassed within this definition. However, structures commonly referred to as "shopping centers" or "malls" shall not constitute a public facility hereunder. A public facility shall not include residential condominiums, townhomes, or other residential units. In addition, only a new public facility, or a public facility which will undergo a substantial and significant renovation or expansion, shall be eligible under subsection C. A new public facility is one whose construction began after December 31, 1991. A substantial and significant renovation entails a project whose cost is at least 50 percent of the original cost of the facility being renovated and shall have begun after December 31, 1991. A substantial and significant expansion entails an increase in floor space of at least 50 percent over that existing in the preexisting facility and shall have begun after December 31, 1991; or an increase in floor space of at least 10 percent over that existing in a public facility that qualified as such under this section and was constructed after December 31, 1991.

"Sales tax revenues" means such tax collections realized under the Virginia Retail Sales and Use Tax Act (§ 58.1-600 et seq.), as limited herein. "Sales tax revenues" does not include the revenue generated

3036 by (i) the 0.5 percent sales and use tax increase enacted by the 1986 Special Session of the General
3037 Assembly which shall be paid to the Commonwealth Transportation Trust Fund as defined in established
3038 pursuant to § 33.2-1524, (ii) the 1.0 percent of the state sales and use tax revenue distributed among the
3039 counties and cities of the Commonwealth pursuant to subsection D of § 58.1-638 on the basis of school
3040 age population, or (iii) any sales and use tax revenues generated by increases or allocation changes
3041 imposed by the 2013 Session of the General Assembly.

3042 B. Notwithstanding the definition of "public facility" in subsection A, a development project that
3043 meets the requirements for a "development of regional impact" set forth herein shall be deemed to be a
3044 public facility under the provisions of this section. The locality in which the public facility is located shall
3045 be entitled to all sales tax revenues generated by transactions taking place at such public facility solely to
3046 pay the cost of any bonds issued to pay the cost, or portion thereof, of such public facility pursuant to
3047 subsection C. For purposes of this subsection, the development of regional impact must be located in the
3048 City of Bristol.

3049 For purposes of this subsection, a "development of regional impact" means a development project
3050 (i) towards which the locality contributes infrastructure or real property as part of a public-private
3051 partnership with the developer that is equal to at least 20 percent of the aggregate cost of development,
3052 (ii) that is reasonably expected to require a capital investment of at least \$50 million, (iii) that is reasonably
3053 expected to generate at least \$5 million annually in state sales and use tax revenue from sales within the
3054 development, (iv) that is reasonably expected to attract at least one million visitors annually, (v) that is
3055 reasonably expected to create at least 2,000 permanent jobs, (vi) that is located in a locality that had a rate
3056 of unemployment at least three percentage points higher than the statewide average in November 2011,
3057 and (vii) that is located in a locality that is adjacent to a state that has adopted a Border Region Retail
3058 Tourism Development District Act. Within 30 days from the date of notification by a locality that it intends
3059 to contribute infrastructure or real property as part of a public-private partnership with the developer of a
3060 development of regional impact, the Department of Taxation shall review the findings of the locality with
3061 respect to clauses (i) through (vi) and shall file a written report with the Chairmen of the House Committee
3062 on Finance, the House Committee on Appropriations, and the Senate Committee on Finance.

3063 C. Any municipality which has issued bonds (i) after December 31, 1991, but before January 1,
3064 1996, (ii) on or after January 1, 1998, but before July 1, 1999, (iii) on or after January 1, 1999, but before
3065 July 1, 2001, (iv) on or after July 1, 2000, but before July 1, 2003, (v) on or after July 1, 2001, but before
3066 July 1, 2005, (vi) on or after July 1, 2004, but before July 1, 2007, (vii) on or after July 1, 2009, but before
3067 July 1, 2012, (viii) on or after January 1, 2011, but prior to July 1, 2015, or (ix) on or after January 1,
3068 2013, but prior to July 1, 2020, to pay the cost, or portion thereof, of any public facility shall be entitled
3069 to all sales tax revenues generated by transactions taking place in such public facility. In the case of a
3070 public facility described in clause (v) of the definition of public facility, all such sales tax revenues shall
3071 be applied solely to repayment of the bonds issued to pay the cost, or portion thereof, of the municipality-
3072 owned component of the sports complex. Such entitlement shall continue for the lifetime of such bonds,
3073 or any refinancing or refunding thereof, but in no event shall such entitlement exceed 35 years from the
3074 initial date that any bonds were issued to pay the cost, or a portion thereof, of any public facility, and all
3075 such sales tax revenues shall be applied to repayment of the bonds. The State Comptroller shall remit such
3076 sales tax revenues to the municipality on a quarterly basis, subject to such reasonable processing delays
3077 as may be required by the Department of Taxation to calculate the actual net sales tax revenues derived
3078 from the public facility. The State Comptroller shall make such remittances to eligible municipalities, as
3079 provided herein, notwithstanding any provisions to the contrary in the Virginia Retail Sales and Use Tax
3080 Act (§ 58.1-600 et seq.). No such remittances shall be made until construction is completed and, in the
3081 case of a renovation or expansion, until the governing body of the municipality has certified that the
3082 renovation or expansion is completed; however, in the case of any public facility consisting of more than
3083 one building or structure, such remittances shall be made on a quarterly basis beginning with the first
3084 quarter in which any sales tax revenue is generated by transactions taking place at any building or structure
3085 within such public facility, whether or not construction of all or any portion, phase, building, or structure
3086 of such public facility has been completed.

3087 D. Nothing in this section shall be construed as authorizing the pledging of the faith and credit of
3088 the Commonwealth of Virginia, or any of its revenues, for the payment of any bonds. Any appropriation

3089 made pursuant to this section shall be made only from sales tax revenues derived from the public facility
3090 for which bonds may have been issued to pay the cost, in whole or in part, of such public facility.

3091 **§ 58.1-638. Disposition of state sales and use tax revenue.**

3092 A. The Comptroller shall designate a specific revenue code number for all the state sales and use
3093 tax revenue collected under the preceding sections of this chapter.

3094 ~~1. The sales and use tax revenue generated by the one-half percent sales and use tax increase~~
3095 ~~enacted by the 1986 Special Session of the General Assembly shall be paid, in the manner hereinafter~~
3096 ~~provided in this section, to the Commonwealth Transportation Trust Fund as defined in established~~
3097 ~~pursuant to § 33.2-1524. Of the funds paid to the Transportation Trust Fund, an aggregate of 4.2 percent~~
3098 ~~shall be set aside as the Commonwealth Port Fund as provided in this section; an aggregate of 2.4 percent~~
3099 ~~shall be set aside as the Commonwealth Airport Fund as provided in this section; and an aggregate of 14.7~~
3100 ~~percent shall be set aside as the Commonwealth Mass Transit Fund as provided in this section. The Fund's~~
3101 ~~share of such net revenue shall be computed as an estimate of the net revenue to be received into the state~~
3102 ~~treasury each month, and such estimated payment shall be adjusted for the actual net revenue received in~~
3103 ~~the preceding month. All payments shall be made to the Fund on the last day of each month.~~

3104 ~~2. There is hereby created in the Department of the Treasury a special nonreverting fund which~~
3105 ~~shall be a part of the Transportation Trust Fund and which shall be known as the Commonwealth Port~~
3106 ~~Fund.~~

3107 ~~a. The Commonwealth Port Fund shall be established on the books of the Comptroller and the~~
3108 ~~funds remaining in such Fund at the end of a biennium shall not revert to the general fund but shall remain~~
3109 ~~in the Fund. Interest earned on such funds shall remain in the Fund and be credited to it. Funds may be~~
3110 ~~paid to any authority, locality or commission for the purposes hereinafter specified.~~

3111 ~~b. The amounts allocated pursuant to this section shall be allocated by the Commonwealth~~
3112 ~~Transportation Board to the Board of Commissioners of the Virginia Port Authority to be used to support~~
3113 ~~port capital needs and the preservation of existing capital needs of all ocean, river, or tributary ports within~~
3114 ~~the Commonwealth. Expenditures for such capital needs are restricted to those capital projects specified~~
3115 ~~in subsection B of § 62.1-132.1.~~

~~3116 e. Commonwealth Port Fund revenue shall be allocated by the Board of Commissioners to the~~
~~3117 Virginia Port Authority in order to foster and stimulate the flow of maritime commerce through the ports~~
~~3118 of Virginia, including but not limited to the ports of Richmond, Hopewell, and Alexandria.~~

~~3119 3. There is hereby created in the Department of the Treasury a special nonreverting fund which~~
~~3120 shall be part of the Transportation Trust Fund and which shall be known as the Commonwealth Airport~~
~~3121 Fund. The Commonwealth Airport Fund shall be established on the books of the Comptroller and any~~
~~3122 funds remaining in such Fund at the end of a biennium shall not revert to the general fund but shall remain~~
~~3123 in the Fund. Interest earned on the funds shall be credited to the Fund. The funds so allocated shall be~~
~~3124 allocated by the Commonwealth Transportation Board to the Virginia Aviation Board. The funds shall be~~
~~3125 allocated by the Virginia Aviation Board to any Virginia airport which is owned by the Commonwealth,~~
~~3126 a governmental subdivision thereof, or a private entity to which the public has access for the purposes~~
~~3127 enumerated in § 5.1-2.16, or is owned or leased by the Metropolitan Washington Airports Authority~~
~~3128 (MWAA), as follows:~~

~~3129 Any new funds in excess of \$12.1 million which are available for allocation by the Virginia~~
~~3130 Aviation Board from the Commonwealth Transportation Fund, shall be allocated as follows: 60 percent~~
~~3131 to MWAA, up to a maximum annual amount of \$2 million, and 40 percent to air carrier airports as~~
~~3132 provided in subdivision A 3 a. Except for adjustments due to changes in enplaned passengers, no air carrier~~
~~3133 airport sponsor, excluding MWAA, shall receive less funds identified under subdivision A 3 a than it~~
~~3134 received in fiscal year 1994-1995.~~

~~3135 Of the remaining amount:~~

~~3136 a. Forty percent of the funds shall be allocated to air carrier airports, except airports owned or~~
~~3137 leased by MWAA, based upon the percentage of enplanements for each airport to total enplanements at~~
~~3138 all air carrier airports, except airports owned or leased by MWAA. No air carrier airport sponsor, however,~~
~~3139 shall receive less than \$50,000 nor more than \$2 million per year from this provision.~~

~~3140 b. Sixty percent of the funds shall be allocated as follows:~~

~~3141 (1) For the first six months of each fiscal year, the funds shall be allocated as follows:~~

3142 (a) ~~Forty percent of the funds shall be allocated by the Aviation Board for air carrier and reliever~~
3143 ~~airports on a discretionary basis, except airports owned or leased by MWAA; and~~

3144 (b) ~~Twenty percent of the funds shall be allocated by the Aviation Board for general aviation~~
3145 ~~airports on a discretionary basis; and~~

3146 (2) ~~For the second six months of each fiscal year, all remaining funds shall be allocated by the~~
3147 ~~Aviation Board for all eligible airports on a discretionary basis, except airports owned or leased by~~
3148 ~~MWAA.~~

3149 3a. ~~There is hereby created in the Department of the Treasury a special nonreverting fund that shall~~
3150 ~~be a part of the Transportation Trust Fund and that shall be known as the Commonwealth Space Flight~~
3151 ~~Fund. The Commonwealth Space Flight Fund shall be established on the books of the Comptroller and~~
3152 ~~the funds remaining in such Fund at the end of a biennium shall not revert to the general fund but shall~~
3153 ~~remain in the Fund. Interest earned on such funds shall remain in the Fund and be credited to it.~~

3154 a. ~~The amounts allocated to the Commonwealth Space Flight Fund pursuant to § 33.2-1526 shall~~
3155 ~~be allocated by the Commonwealth Transportation Board to the Board of Directors of the Virginia~~
3156 ~~Commercial Space Flight Authority to be used to support the capital needs, maintenance, and operating~~
3157 ~~costs of any and all facilities owned and operated by the Virginia Commercial Space Flight Authority.~~

3158 b. ~~Commonwealth Space Flight Fund revenue shall be allocated by the Board of Directors to the~~
3159 ~~Virginia Commercial Space Flight Authority in order to foster and stimulate the growth of the commercial~~
3160 ~~space flight industry in Virginia.~~

3161 4. ~~There is hereby created in the Department of the Treasury a special nonreverting fund which~~
3162 ~~shall be a part of the Transportation Trust Fund and which shall be known as the Commonwealth Mass~~
3163 ~~Transit Fund.~~

3164 a. ~~The Commonwealth Mass Transit Fund shall be established on the books of the Comptroller~~
3165 ~~and any funds remaining in such Fund at the end of the biennium shall not revert to the general fund but~~
3166 ~~shall remain in the Fund. Interest earned on such funds shall be credited to the Fund.~~

3167 b. ~~The amounts allocated pursuant to § 33.2-1526.1 shall be used to support the operating, capital,~~
3168 ~~and administrative costs of public transportation at a state share determined by the Commonwealth~~

3169 ~~Transportation Board, and these amounts may be used to support the capital project costs of public~~
3170 ~~transportation and ridesharing equipment, facilities, and associated costs at a state share determined by~~
3171 ~~the Commonwealth Transportation Board. Capital costs may include debt service payments on local or~~
3172 ~~agency transit bonds.~~

3173 ~~e. There is hereby created in the Department of the Treasury a special nonreverting fund known as~~
3174 ~~the Commonwealth Transit Capital Fund. The Commonwealth Transit Capital Fund shall be part of the~~
3175 ~~Commonwealth Mass Transit Fund. The Commonwealth Transit Capital Fund subaccount shall be~~
3176 ~~established on the books of the Comptroller and consist of such moneys as are appropriated to it by the~~
3177 ~~General Assembly and of all donations, gifts, bequests, grants, endowments, and other moneys given,~~
3178 ~~bequeathed, granted, or otherwise made available to the Commonwealth Transit Capital Fund. Any funds~~
3179 ~~remaining in the Commonwealth Transit Capital Fund at the end of the biennium shall not revert to the~~
3180 ~~general fund, but shall remain in the Commonwealth Transit Capital Fund. Interest earned on funds within~~
3181 ~~the Commonwealth Transit Capital Fund shall remain in and be credited to the Commonwealth Transit~~
3182 ~~Capital Fund. Proceeds of the Commonwealth Transit Capital Fund may be paid to any political~~
3183 ~~subdivision, another public entity created by an act of the General Assembly, or a private entity as defined~~
3184 ~~in § 33.2-1800 and for purposes as enumerated in subdivision 7 of § 33.2-1701 or expended by the~~
3185 ~~Department of Rail and Public Transportation for the purposes specified in this subdivision. Revenues of~~
3186 ~~the Commonwealth Transit Capital Fund shall be used to support capital expenditures involving the~~
3187 ~~establishment, improvement, or expansion of public transportation services through specific projects~~
3188 ~~approved by the Commonwealth Transportation Board. The Commonwealth Transit Capital Fund shall~~
3189 ~~not be allocated without requiring a local match from the recipient.~~

3190 ~~B. The sales and use tax revenue generated by a one percent sales and use tax shall be distributed~~
3191 ~~among the counties and cities of the Commonwealth in the manner provided in subsections C and D.~~

3192 ~~C. The localities' share of the net revenue distributable under this section among the counties and~~
3193 ~~cities shall be apportioned by the Comptroller and distributed among them by warrants of the Comptroller~~
3194 ~~drawn on the Treasurer of Virginia as soon as practicable after the close of each month during which the~~
3195 ~~net revenue was received into the state treasury. The distribution of the localities' share of such net revenue~~

3196 shall be computed with respect to the net revenue received into the state treasury during each month, and
3197 such distribution shall be made as soon as practicable after the close of each such month.

3198 D. The net revenue so distributable among the counties and cities shall be apportioned and
3199 distributed upon the basis of the latest yearly estimate of the population of cities and counties ages five to
3200 19, provided by the Weldon Cooper Center for Public Service of the University of Virginia. Such
3201 population estimate produced by the Weldon Cooper Center for Public Service of the University of
3202 Virginia shall account for persons who are domiciled in orphanages or charitable institutions or who are
3203 dependents living on any federal military or naval reservation or other federal property within the school
3204 division in which the institutions or federal military or naval reservation or other federal property is
3205 located. Such population estimate produced by the Weldon Cooper Center for Public Service of the
3206 University of Virginia shall account for members of the military services who are under 20 years of age
3207 within the school division in which the parents or guardians of such persons legally reside. Such
3208 population estimate produced by the Weldon Cooper Center for Public Service of the University of
3209 Virginia shall account for individuals receiving services in state hospitals, state training centers, or mental
3210 health facilities, persons who are confined in state or federal correctional institutions, or persons who
3211 attend the Virginia School for the Deaf and the Blind within the school division in which the parents or
3212 guardians of such persons legally reside. Such population estimate produced by the Weldon Cooper Center
3213 for Public Service of the University of Virginia shall account for persons who attend institutions of higher
3214 education within the school division in which the student's parents or guardians legally reside. To such
3215 estimate, the Department of Education shall add the population of students with disabilities, ages two
3216 through four and 20 through 21, as provided to the Department of Education by school divisions. The
3217 revenue so apportionable and distributable is hereby appropriated to the several counties and cities for
3218 maintenance, operation, capital outlays, debt and interest payments, or other expenses incurred in the
3219 operation of the public schools, which shall be considered as funds raised from local resources. In any
3220 county, however, wherein is situated any incorporated town constituting a school division, the county
3221 treasurer shall pay into the town treasury for maintenance, operation, capital outlays, debt and interest
3222 payments, or other expenses incurred in the operation of the public schools, the proper proportionate

3223 amount received by him in the ratio that the school population of such town bears to the school population
3224 of the entire county. If the school population of any city or of any town constituting a school division is
3225 increased by the annexation of territory since the last estimate of school population provided by the
3226 Weldon Cooper Center for Public Service, such increase shall, for the purposes of this section, be added
3227 to the school population of such city or town as shown by the last such estimate and a proper reduction
3228 made in the school population of the county or counties from which the annexed territory was acquired.

3229 E. Beginning July 1, 2000, of the remaining sales and use tax revenue, the revenue generated by a
3230 two percent sales and use tax, up to an annual amount of \$13 million, collected from the sales of hunting
3231 equipment, auxiliary hunting equipment, fishing equipment, auxiliary fishing equipment, wildlife-
3232 watching equipment, and auxiliary wildlife-watching equipment in Virginia, as estimated by the most
3233 recent U.S. Department of the Interior, Fish and Wildlife Service and U.S. Department of Commerce,
3234 Bureau of the Census National Survey of Fishing, Hunting, and Wildlife-Associated Recreation, shall be
3235 paid into the Game Protection Fund established under § 29.1-101 and shall be used, in part, to defray the
3236 cost of law enforcement. Not later than 30 days after the close of each quarter, the Comptroller shall
3237 transfer to the Game Protection Fund the appropriate amount of collections to be dedicated to such Fund.
3238 At any time that the balance in the Capital Improvement Fund, established under § 29.1-101.01, is equal
3239 to or in excess of \$35 million, any portion of sales and use tax revenues that would have been transferred
3240 to the Game Protection Fund, established under § 29.1-101, in excess of the net operating expenses of the
3241 Board, after deduction of other amounts which accrue to the Board and are set aside for the Game
3242 Protection Fund, shall remain in the general fund until such time as the balance in the Capital Improvement
3243 Fund is less than \$35 million.

3244 F. 1. Of the net revenue generated from the one-half percent increase in the rate of the state sales
3245 and use tax effective August 1, 2004, pursuant to enactments of the 2004 Special Session I of the General
3246 Assembly, the Comptroller shall transfer from the general fund of the state treasury to the Public Education
3247 Standards of Quality/Local Real Estate Property Tax Relief Fund established under § 58.1-638.1 an
3248 amount equivalent to one-half of the net revenue generated from such one-half percent increase as
3249 provided in this subdivision. The transfers to the Public Education Standards of Quality/Local Real Estate

3250 Property Tax Relief Fund under this subdivision shall be for one-half of the net revenue generated (and
3251 collected in the succeeding month) from such one-half percent increase for the month of August 2004 and
3252 for each month thereafter.

3253 2. Beginning July 1, 2013, of the remaining sales and use tax revenue, an amount equal to the
3254 revenue generated by a 0.125 percent sales and use tax shall be distributed to the Public Education
3255 Standards of Quality/Local Real Estate Property Tax Relief Fund established under § 58.1-638.1, and be
3256 used for the state's share of Standards of Quality basic aid payments.

3257 3. For the purposes of the Comptroller making the required transfers under subdivision 1 and 2,
3258 the Tax Commissioner shall make a written certification to the Comptroller no later than the twenty-fifth
3259 of each month certifying the sales and use tax revenues generated in the preceding month. Within three
3260 calendar days of receiving such certification, the Comptroller shall make the required transfers to the
3261 Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund.

3262 G. (Contingent expiration date) Beginning July 1, 2013, of the remaining sales and use tax revenue,
3263 an amount equal to ~~the following percentages~~ 20 percent of the revenue generated by a one-half percent
3264 sales and use tax, such as that paid to the Commonwealth Transportation ~~Trust~~ Fund as provided in
3265 ~~subdivision subsection A-1~~, shall be paid to the Highway Maintenance and Operating Commonwealth
3266 Transportation Fund established pursuant to ~~§ 33.2-1530~~:

- 3267 1. ~~For fiscal year 2014, an amount equal to 10 percent;~~
3268 2. ~~For fiscal year 2015, an amount equal to 20 percent;~~
3269 3. ~~For fiscal year 2016, an amount equal to 30 percent; and~~
3270 4. ~~For fiscal year 2017 and thereafter, an amount equal to 35 percent~~ § 33.2-1524.

3271 The Highway Maintenance and Operating Fund's share of the net revenue distributable under this
3272 subsection shall be computed as an estimate of the net revenue to be received into the state treasury each
3273 month, and such estimated payment shall be adjusted for the actual net revenue received in the preceding
3274 month. All payments shall be made to the Fund on the last day of each month.

3275 H. (Contingent expiration date) 1. The additional revenue generated by increases in the state sales
3276 and use tax from Planning District 8 pursuant to §§ 58.1-603.1, 58.1-604.01, 58.1-604.1, and 58.1-614
3277 shall be deposited by the Comptroller in the fund established under § 33.2-2509.

3278 2. The additional revenue generated by increases in the state sales and use tax from Planning
3279 District 23 pursuant to §§ 58.1-603.1, 58.1-604.01, 58.1-604.1, and 58.1-614 shall be deposited by the
3280 Comptroller in the fund established under § 33.2-2600.

3281 3. The additional revenue generated by increases in the state sales and use tax in any other Planning
3282 District pursuant to §§ 58.1-603.1, 58.1-604.01, 58.1-604.1, and 58.1-614 shall be deposited into special
3283 funds that shall be established by appropriate legislation.

3284 4. The net revenues distributable under this subsection shall be computed as an estimate of the net
3285 revenue to be received by the state treasury each month, and such estimated payment shall be adjusted for
3286 the actual net revenue received in the preceding month. All payments shall be made to the appropriate
3287 funds on the last day of each month.

3288 I. (For contingent expiration date, see Acts 2018, c. 850) The additional revenue generated by
3289 increases in the state sales and use tax from the Historic Triangle pursuant to § 58.1-603.2 shall be
3290 deposited by the Comptroller as follows: (i) 50 percent shall be deposited into the Historic Triangle
3291 Marketing Fund established pursuant to subsection E of § 58.1-603.2; and (ii) 50 percent shall be deposited
3292 in the special fund created pursuant to subdivision D 2 of § 58.1-603.2 and distributed to the localities in
3293 which the revenues were collected. The net revenues distributable under this subsection shall be computed
3294 as an estimate of the net revenues to be received by the state treasury each month, and such estimated
3295 payment shall be adjusted for the actual net revenue received in the preceding month. All payments shall
3296 be made to the appropriate funds on the last day of each month.

3297 J. Beginning July 1, 2020, the first \$40 million of sales and use taxes remitted by online retailers
3298 with a physical nexus established pursuant to subsection D of § 58.1-612 shall be deposited into the Major
3299 Headquarters Workforce Grant Fund established pursuant to § 59.1-284.31.

3300 K. If errors are made in any distribution, or adjustments are otherwise necessary, the errors shall
3301 be corrected and adjustments made in the distribution for the next quarter or for subsequent quarters.

3302 L. The term "net revenue," as used in this section, means the gross revenue received into the
3303 general fund or the Transportation Trust Fund of the state treasury under the preceding sections of this
3304 chapter, less refunds to taxpayers.

3305 **§ 58.1-638.3. (Contingent expiration date) Disposition of 0.3 percent state and local sales tax**
3306 **for transportation.**

3307 A. The sales and use tax revenue generated by the 0.3 percent sales and use tax increase enacted
3308 by the 2013 Session of the General Assembly shall be ~~allocated as follows:~~

3309 ~~1. An amount equal to a 0.175 percent sales and use tax shall be deposited into the Highway~~
3310 ~~Maintenance and Operating Fund established pursuant to § 33.2-1530;~~

3311 ~~2. An amount equal to a 0.05 percent sales and use tax shall be deposited into the Intercity~~
3312 ~~Passenger Rail Operating and Capital Fund established under § 33.2-1603; and~~

3313 ~~3. An amount equal to a 0.075 percent sales and use tax shall be deposited into the Commonwealth~~
3314 ~~Mass Transit Fund deposited into the Commonwealth Transportation Fund established pursuant to § 33.2-~~
3315 ~~1524.~~

3316 B. The net revenues distributable under this section shall be computed as an estimate of the net
3317 revenue to be received by the state treasury each month, and such estimated payment shall be adjusted for
3318 the actual net revenue received in the preceding month. All payments shall be made to the funds set forth
3319 in subsection A on the last day of each month.

3320 **§ 58.1-802.3. Regional transportation improvement fee.**

3321 In addition to any other tax or fee imposed under the provisions of this chapter, a fee, delineated
3322 as the "regional WMATA capital fee," is hereby imposed on each deed, instrument, or writing by which
3323 lands, tenements, or other realty located in any county or city that is a member of the Northern Virginia
3324 Transportation Authority is sold and is granted, assigned, transferred, or otherwise conveyed to or vested
3325 in the purchaser or any other person, by such purchaser's direction. The rate of the fee, when the
3326 consideration or value of the interest, whichever is greater, equals or exceeds \$100, shall be ~~\$0.15~~ \$0.10
3327 for each \$100 or fraction thereof, exclusive of the value of any lien or encumbrance remaining thereon at
3328 the time of the sale, whether such lien is assumed or the realty is sold subject to such lien or encumbrance.

3329 The fee imposed by this section shall be paid by the grantor, or any person who signs on behalf of
3330 the grantor, of any deed, instrument, or writing subject to the fee imposed by this section.

3331 No such deed, instrument, or other writing shall be admitted to record unless certification of the
3332 clerk wherein first recorded has been affixed thereto that the fee imposed pursuant to this section has been
3333 paid.

3334 Fees imposed by this section shall be collected by the clerk of the court. For fees collected in a
3335 county or city located in a transportation district established pursuant to Chapter 19 (§ 33.2-1900 et seq.)
3336 of Title 33.2 that as of January 1, 2018, meets the criteria established in § 33.2-1936 shall be transferred
3337 to the state treasury as soon as practicable and deposited into the fund established in § 33.2-3401. The fees
3338 collected in any other county or city in which the fee is imposed shall be retained by the county or city,
3339 and shall be used solely for transportation purposes.

3340 **§ 58.1-802.4. Regional congestion relief fee.**

3341 In addition to any other tax or fee imposed under the provisions of this chapter, a fee, delineated
3342 as the "regional congestion relief fee," is hereby imposed on each deed, instrument, or writing by which
3343 lands, tenements, or other realty located in any county or city in a planning district described in this section
3344 is sold and is granted, assigned, transferred, or otherwise conveyed to or vested in the purchaser or any
3345 other person, by such purchaser's direction. The fee shall be imposed in a planning district established
3346 pursuant to Chapter 42 (§ 15.2-4200 et seq.) of Title 15.2 that (i) as of January 1, 2013, has a population
3347 of two million or more, as shown by the most recent United States census, has not less than 1.7 million
3348 motor vehicles registered therein, and has a total transit ridership of not less than 50 million riders per year
3349 across all transit systems within the planning district or (ii) as shown by the most recent United States
3350 census meets the population criteria set forth in clause (i) and also meets the vehicle registration and
3351 ridership criteria set forth in clause (i). The rate of the fee, when the consideration or value of the interest,
3352 whichever is greater, equals or exceeds \$100, shall be \$0.10 for each \$100 or fraction thereof, exclusive
3353 of the value of any lien or encumbrance remaining thereon at the time of the sale, whether such lien is
3354 assumed or the realty is sold subject to such lien or encumbrance. In any case in which the fee is imposed

3355 pursuant to clause (ii) such fee shall be effective beginning on the July 1 immediately following the
3356 calendar year in which all of the criteria under such clause have been met.

3357 The fee imposed by this section shall be paid by the grantor, or any person who signs on behalf of
3358 the grantor, of any deed, instrument, or writing subject to the fee imposed by this section.

3359 No such deed, instrument, or other writing shall be admitted to record unless certification of the
3360 clerk wherein first recorded has been affixed thereto that the fee imposed pursuant to this section has been
3361 paid.

3362 Fees imposed by this section shall be collected by the clerk of the court and deposited into the state
3363 treasury as soon as practicable. Such fees shall then be deposited into special funds established by law. In
3364 the case of Planning District 8, the revenue generated and collected therein shall be deposited into the fund
3365 established in § 33.2-2509. For additional planning districts that may become subject to this section, funds
3366 shall be established by appropriate legislation.

3367 **§ 58.1-811. (Contingent expiration date) Exemptions.**

3368 A. The taxes imposed by §§ 58.1-801 and 58.1-807 shall not apply to any deed conveying real
3369 estate or lease of real estate:

3370 1. To an incorporated college or other incorporated institution of learning not conducted for profit,
3371 where such real estate is intended to be used for educational purposes and not as a source of revenue or
3372 profit;

3373 2. To an incorporated church or religious body or to the trustee or trustees of any church or
3374 religious body, or a corporation mentioned in § 57-16.1, where such real estate is intended to be used
3375 exclusively for religious purposes, or for the residence of the minister of any such church or religious
3376 body;

3377 3. To the United States, the Commonwealth, or to any county, city, town, district, or other political
3378 subdivision of the Commonwealth;

3379 4. To the Virginia Division of the United Daughters of the Confederacy;

3380 5. To any nonstock corporation organized exclusively for the purpose of owning or operating a
3381 hospital or hospitals not for pecuniary profit;

3382 6. To a corporation upon its organization by persons in control of the corporation in a transaction
3383 which qualifies for nonrecognition of gain or loss pursuant to § 351 of the Internal Revenue Code as it
3384 exists at the time of the conveyance;

3385 7. From a corporation to its stockholders upon complete or partial liquidation of the corporation in
3386 a transaction which qualifies for income tax treatment pursuant to § 331, 332, 333, or 337 of the Internal
3387 Revenue Code as it exists at the time of liquidation;

3388 8. To the surviving or new corporation, partnership, limited partnership, business trust, or limited
3389 liability company upon a merger or consolidation to which two or more such entities are parties, or in a
3390 reorganization within the meaning of § 368(a)(1)(C) and (F) of the Internal Revenue Code as amended;

3391 9. To a subsidiary corporation from its parent corporation, or from a subsidiary corporation to a
3392 parent corporation, if the transaction qualifies for nonrecognition of gain or loss under the Internal
3393 Revenue Code as amended;

3394 10. To a partnership or limited liability company, when the grantors are entitled to receive not less
3395 than 50 percent of the profits and surplus of such partnership or limited liability company, provided that
3396 the transfer to a limited liability company is not a precursor to a transfer of control of the assets of the
3397 company to avoid recordation taxes;

3398 11. From a partnership or limited liability company, when the grantees are entitled to receive not
3399 less than 50 percent of the profits and surplus of such partnership or limited liability company, provided
3400 that the transfer from a limited liability company is not subsequent to a transfer of control of the assets of
3401 the company to avoid recordation taxes;

3402 12. To trustees of a revocable inter vivos trust, when the grantors in the deed and the beneficiaries
3403 of the trust are the same persons, regardless of whether other beneficiaries may also be named in the trust
3404 instrument, when no consideration has passed between the grantor and the beneficiaries;

3405 13. When the grantor is an organization exempt from taxation under § 501(c)(3) of the Internal
3406 Revenue Code that is organized and operated primarily to acquire land and purchase materials to erect or
3407 rehabilitate low-cost homes on such land, which homes are sold at cost to persons who otherwise would
3408 be unable to afford to buy a home through conventional means;

- 3409 14. When it is a deed of partition, or any combination of deeds simultaneously executed and having
3410 the effect of a deed of partition, among joint tenants, tenants in common, or coparceners; or
- 3411 15. When it is a deed transferring property pursuant to a decree of divorce or of separate
3412 maintenance or pursuant to a written instrument incident to such divorce or separation.
- 3413 B. The taxes imposed by §§ 58.1-803 and 58.1-804 shall not apply to any deed of trust or mortgage:
- 3414 1. Given by an incorporated college or other incorporated institution of learning not conducted for
3415 profit;
- 3416 2. Given by the trustee or trustees of a church or religious body or given by an incorporated church
3417 or religious body, or given by a corporation mentioned in § 57-16.1;
- 3418 3. Given by any nonstock corporation organized exclusively for the purpose of owning and/or
3419 operating a hospital or hospitals not for pecuniary profit;
- 3420 4. Given by any local governmental entity or political subdivision of the Commonwealth to secure
3421 a debt payable to any other local governmental entity or political subdivision;
- 3422 5. Securing a loan made by an organization described in subdivision A 13;
- 3423 6. Securing a loan made by a county, city, or town, or an agency of such a locality, to a borrower
3424 whose household income does not exceed 80 percent of the area median household income established by
3425 the U.S. Department of Housing and Urban Development, for the purpose of erecting or rehabilitating a
3426 home for such borrower, including the purchase of land for such home; or
- 3427 7. Given by any entity organized pursuant to Chapter 9.1 (§ 56-231.15 et seq.) of Title 56.
- 3428 C. The tax imposed by § 58.1-802 and the fee imposed by ~~§§ 58.1-802.3 and 58.1-802.4~~ shall
3429 not apply to any:
- 3430 1. Transaction described in subdivisions A 6 through 12, 14, and 15;
- 3431 2. Instrument or writing given to secure a debt;
- 3432 3. Deed conveying real estate from an incorporated college or other incorporated institution of
3433 learning not conducted for profit;
- 3434 4. Deed conveying real estate from the United States, the Commonwealth or any county, city,
3435 town, district, or other political subdivision thereof;

3436 5. Conveyance of real estate to the Commonwealth or any county, city, town, district, or other
3437 political subdivision thereof, if such political unit is required by law to reimburse the parties taxable
3438 pursuant to § 58.1-802 or subject to the fee under § 58.1-802.3; or

3439 6. Deed conveying real estate from the trustee or trustees of a church or religious body or from an
3440 incorporated church or religious body, or from a corporation mentioned in § 57-16.1.

3441 D. No recordation tax shall be required for the recordation of any deed of gift between a grantor
3442 or grantors and a grantee or grantees when no consideration has passed between the parties. Such deed
3443 shall state therein that it is a deed of gift.

3444 E. The tax imposed by § 58.1-807 shall not apply to any lease to the United States, the
3445 Commonwealth, or any county, city, town, district, or other political subdivision of the Commonwealth.

3446 F. The taxes and fees imposed by §§ 58.1-801, 58.1-802, 58.1-802.3, 58.1-807, 58.1-808, and 58.1-
3447 814 shall not apply to (i) any deed of gift conveying real estate or any interest therein to The Nature
3448 Conservancy or (ii) any lease of real property or any interest therein to The Nature Conservancy, where
3449 such deed of gift or lease of real estate is intended to be used exclusively for the purpose of preserving
3450 wilderness, natural, or open space areas.

3451 G. The words "trustee" or "trustees," as used in subdivisions A 2, B 2, and C 6, include the trustees
3452 mentioned in § 57-8 and the ecclesiastical officers mentioned in § 57-16.

3453 H. No recordation tax levied pursuant to this chapter shall be levied on the release of a contractual
3454 right, if the release is contained within a single deed that performs more than one function, and at least
3455 one of the other functions performed by the deed is subject to the recordation tax.

3456 I. No recordation tax levied pursuant to this chapter shall be levied on a deed, lease, easement,
3457 release, or other document recorded in connection with a concession pursuant to the Public-Private
3458 Transportation Act of 1995 (§ 33.2-1800 et seq.) or similar federal law.

3459 J. No recordation tax shall be required for the recordation of any transfer on death deed or any
3460 revocation of transfer on death deed made pursuant to the Uniform Real Property Transfer on Death Act
3461 (§ 64.2-621 et seq.) when no consideration has passed between the parties.

3462 K. No recordation tax levied pursuant to this chapter shall be required for the recordation of any
3463 deed of distribution when no consideration has passed between the parties. Such deed shall state therein
3464 on the front page that it is a deed of distribution. As used in this subsection, "deed of distribution" means
3465 a deed conveying property from an estate or trust (i) to the original beneficiaries of a trust from the trustees
3466 holding title under a deed in trust; (ii) the purpose of which is to comply with a devise or bequest in the
3467 decedent's will or to transfer title to one or more beneficiaries after the death of the settlor in accordance
3468 with a dispositive provision in the trust instrument; (iii) that carries out the exercise of a power of
3469 appointment; or (iv) is pursuant to the exercise of the power under the Uniform Trust Decanting Act (§
3470 64.2-779.1 et seq.).

3471 **§ 58.1-815.4. (Contingent expiration dates) Distribution of recordation tax to the**
3472 **Commonwealth Transportation Fund.**

3473 Of the state recordation taxes imposed pursuant to §§ 58.1-801 and 58.1-803, the revenues
3474 collected each fiscal year from \$0.03 of the total tax imposed under each section shall be deposited by the
3475 Comptroller into the Commonwealth—~~Mass Transit~~ Transportation Fund established pursuant to
3476 ~~subdivision A 4 of § 58.1-638~~ § 33.2-1524.

3477 **§ 58.1-816. Distribution of recordation tax to cities and counties.**

3478 A. Effective October 1, 1993, twenty million dollars of the taxes imposed under §§ 58.1-801
3479 through 58.1-809 which are actually paid into the state treasury, shall be distributed among the counties
3480 and cities of this Commonwealth, except for counties and cities located in Planning District 8, in the
3481 manner provided in subsection B of this section. Effective July 1, 1994, such annual distribution shall
3482 increase to forty million dollars. Effective July 1, 2021, such annual distribution shall be \$20 million.

3483 B. Subject to any ~~transfers~~ transfer required under ~~§§ 33.2-2400 and § 58.1-816.1~~, the share of the
3484 state taxes distributable under this section among the counties and cities shall be apportioned and
3485 distributed quarterly to each county or city by the Comptroller by multiplying the amount to be distributed
3486 by a fraction in which the numerator is the amount of the taxes imposed under §§ 58.1-801 through 58.1-
3487 809 and actually paid into the state treasury which are attributable to deeds and other instruments recorded
3488 in the county or city and the denominator is the amount of taxes imposed under §§ 58.1-801 through 58.1-

3489 809 actually paid into the state treasury. All distributions pursuant to this section shall be made on a
3490 quarterly basis within thirty days of the end of the quarter. Such quarterly distribution shall equal ten
3491 million dollars. Each clerk of the court shall certify to the Comptroller, within fifteen days after the end
3492 of the quarter, all amounts collected under §§ 58.1-801 through 58.1-809 and actually paid into the state
3493 treasury which are attributable to deeds and other instruments recorded in such county or city.

3494 C. All moneys distributed to counties and cities pursuant to this section shall be used for (i)
3495 transportation purposes, including, without limitation, construction, administration, operation,
3496 improvement, maintenance and financing of transportation facilities, or (ii) public education.

3497 As used in this section, the term "transportation facilities" shall include all transportation-related
3498 facilities including, but not limited to, all highway systems, public transportation or mass transit systems
3499 as defined in § 33.2-100, airports as defined in § 5.1-1, and port facilities as defined in § 62.1-140. Such
3500 term shall be liberally construed for purposes of this section.

3501 D. If any revenues distributed to a county or city under subsection C of this section are applied or
3502 expended for any transportation facilities under the control and jurisdiction of any state agency, board,
3503 commission or authority, such transportation facilities shall be constructed, operated, administered,
3504 improved and maintained in accordance with laws, rules, regulations, policies and procedures governing
3505 such state agency, board, commission or authority; however, in the event these revenues, or a portion
3506 thereof, are expended for improving or constructing highways in a county which is subject to the
3507 provisions of § 33.2-338, such expenditures shall be undertaken in the manner prescribed in that statute.

3508 E. In the case of any distribution to a county or city in which an office sharing agreement pursuant
3509 to §§ 15.2-1637 and 15.2-3822 is in effect, the Comptroller shall divide the distribution among the office
3510 sharing counties and cities. Each clerk of the court acting pursuant to an office sharing agreement shall
3511 certify to the Comptroller, within fifteen days after the end of the quarter, all amounts collected under §§
3512 58.1-801 through 58.1-809 and actually paid into the state treasury which are attributable to deeds and
3513 other instruments recorded on behalf of each county and city.

3514 **§ 58.1-1741. Disposition of revenues.**

3515 A. After the direct costs of administering this article are recovered by the Department of Taxation,
3516 the remaining revenues collected hereunder by the Tax Commissioner shall be forthwith paid into the state
3517 treasury. Except as otherwise provided in this section, these funds shall constitute special funds within the
3518 Commonwealth Transportation Fund. Any balances remaining in these funds at the end of the year shall
3519 be available for use in subsequent years for the purposes set forth in this article, and any interest income
3520 on such funds shall accrue to these funds. The revenue so derived, after refunds have been deducted, is
3521 hereby allocated for the construction, reconstruction, and maintenance of highways and the regulation of
3522 traffic thereon and for no other purpose. However, (i) all funds collected from the additional tax imposed
3523 by subdivision A 2 of § 58.1-1736 on the rental of daily rental vehicles shall be distributed quarterly to
3524 the county, city, or town wherein such vehicle was delivered to the rentee; (ii) except as provided in clause
3525 (iii), an amount equivalent to the net additional revenues from the motor vehicle rental tax generated by
3526 enactments of the 1986 Special Session of the Virginia General Assembly which amended §§ 46.2-694,
3527 46.2-697, and by §§ 58.1-1735, 58.1-1736 and this section, shall be distributed to and paid into the
3528 Commonwealth Transportation Trust Fund established pursuant to § 33.2-1524, a special fund within the
3529 Commonwealth Transportation Fund, and are hereby appropriated to the Commonwealth Transportation
3530 Board for transportation needs; (iii) all moneys collected from the tax on the gross proceeds from the
3531 rental in Virginia of any motor vehicle pursuant to subdivision A 1 of § 58.1-1736 at the tax rate in effect
3532 on December 31, 1986, shall be paid by the Tax Commissioner into the state treasury and two-thirds of
3533 which shall be paid into the ~~Rail Enhancement~~ Commonwealth Transportation Fund established by § 33.2-
3534 ~~1601~~ pursuant to § 33.2-1524 and one-third of which shall be deposited into the Washington Metropolitan
3535 Area Transit Authority Capital Fund pursuant to § 33.2-3401; and (iv) all additional revenues resulting
3536 from the fee imposed under subdivision A 3 of § 58.1-1736 shall be used to pay the debt service on the
3537 bonds issued by the Virginia Public Building Authority for the Statewide Agencies Radio System
3538 (STARS) for the Department of State Police pursuant to the authority granted by the 2004 Session of the
3539 General Assembly.

3540 B. ~~As provided in subsection A of § 58.1-638, of the funds becoming part of the Transportation~~
3541 ~~Trust Fund pursuant to subdivision A 2, an aggregate of 4.2 percent shall be set aside as the~~

~~3542 Commonwealth Port Fund; an aggregate of 2.4 percent shall be set aside as the Commonwealth Airport~~
~~3543 Fund; and an aggregate of 14.7 percent shall be set aside as the Commonwealth Mass Transit Fund.~~

3544 § 58.1-1743. Transportation district transient occupancy tax.

~~3545 In addition to all other fees and taxes imposed under law, there is hereby imposed an additional~~
~~3546 transient occupancy tax at the rate of two three percent of the amount of the charge for the occupancy of~~
~~3547 any room or space occupied in any county or city located in a transportation district established pursuant~~
~~3548 to Chapter 19 (§ 33.2-1900 et seq.) of Title 33.2 that as of January 1, 2018, meets the criteria established~~
~~3549 in § 33.2-1936.~~

~~3550 The tax imposed under this section shall be imposed only for the occupancy of any room or space~~
~~3551 that is suitable or intended for occupancy by transients for dwelling, lodging, or sleeping purposes.~~

~~3552 The tax imposed under this section shall be administered by the locality in which the room or space~~
~~3553 is located in the same manner as it administers the tax authorized by § 58.1-3819 or 58.1-3840, mutatis~~
~~3554 mutandis, except as herein provided. The revenue generated and collected from the tax shall be deposited~~
~~3555 by the local treasurer into the state treasury pursuant to § 2.2-806 and transferred by the Comptroller into~~
~~3556 special funds established by law. In the case of the Northern Virginia Transportation District, the revenue~~
~~3557 generated and collected therein shall be deposited into the fund established in § 33.2-3401. For additional~~
~~3558 transportation districts that may become subject to this section, funds shall be established by appropriate~~
~~3559 legislation.~~

3560 § 58.1-2217. Taxes levied; rate.

~~3561 A. There is hereby levied a tax at the rate of seventeen and one-half cents per gallon on gasoline~~
~~3562 and gasohol. Beginning January 1, 2015, the tax rate shall be 5.1 percent of the statewide average~~
~~3563 wholesale price of a gallon of unleaded regular gasoline for the applicable base period, excluding federal~~
~~3564 and state excise taxes, as determined by the Commissioner.~~

~~3565 In computing the average wholesale price of a gallon of gasoline, the Commissioner shall use the~~
~~3566 period from December 1 through May 31 as the base period for such determination for the immediately~~
~~3567 following period beginning July 1 and ending December 31, inclusive. The period from June 1 through~~
~~3568 November 30 shall be the next base period for the immediately following period beginning January 1 and~~

~~ending June 30, inclusive. In no case shall the average wholesale price computed for purposes of this section be less than the statewide average wholesale price of a gallon of unleaded regular gasoline on February 20, 2013. There is hereby levied an excise tax on gasoline and gasohol as follows:~~

- ~~1. On an after July 1, 2020, but before July 1, 2021, the rate shall be 20.2 cents per gallon;~~
- ~~2. On and after July 1, 2021, but before July 1, 2022, the rate shall be 24.2 cents per gallon;~~
- ~~3. On and after July 1, 2022, but before July 1, 2023, the rate shall be 28.2 cents per gallon; and~~
- ~~4. On an after July 1, 2023, the rate shall be adjusted annually based on the greater of (i) the change in the United States Average Consumer Price Index for all items, all urban consumers (CPI-U), as published by the Bureau of Labor Statistics for the U.S. Department of Labor for the previous year or (ii) zero.~~

~~B. There is hereby levied a tax at the rate of seventeen and one half cents per gallon on diesel fuel. Beginning January 1, 2015, the tax rate shall be six percent of the statewide average wholesale price of a gallon of diesel fuel for the applicable base period, excluding federal and state excise taxes, as determined by the Commissioner.~~

~~In computing the average wholesale price of a gallon of diesel fuel, the Commissioner shall use the period from December 1 through May 31 as the base period for such determination for the immediately following period beginning July 1 and ending December 31, inclusive. The period from June 1 through November 30 shall be the next base period for the immediately following period beginning January 1 and ending June 30, inclusive. In no case shall the average wholesale price computed for purposes of this section be less than the statewide average wholesale price of a gallon of diesel fuel on February 20, 2013. There is hereby levied an excise tax on diesel fuel as follows:~~

- ~~1. On an after July 1, 2020, but before July 1, 2021, the rate shall be 20.2 cents per gallon;~~
- ~~2. On and after July 1, 2021, but before July 1, 2022, the rate shall be 27 cents per gallon; and~~
- ~~3. On an after July 1, 2022, the rate shall be adjusted annually based on the greater of (i) the change in the United States Average Consumer Price Index for all items, all urban consumers (CPI-U), as published by the Bureau of Labor Statistics for the U.S. Department of Labor for the previous year or (ii) zero.~~

3596 C. Blended fuel that contains gasoline shall be taxed at the rate levied on gasoline. Blended fuel
3597 that contains diesel fuel shall be taxed at the rate levied on diesel fuel.

3598 D. There is hereby levied a tax at the rate of five cents per gallon on aviation gasoline. Any person,
3599 whether or not licensed under this chapter, who uses, acquires for use, sells or delivers for use in highway
3600 vehicles any aviation gasoline shall be liable for the tax at the rate levied on gasoline and gasohol, along
3601 with any penalties and interest that may accrue.

3602 E. There is hereby levied a tax at the rate of five cents per gallon on aviation jet fuel purchased or
3603 acquired for use by a user of aviation fuel other than an aviation consumer. There is hereby levied a tax at
3604 the rate of five cents per gallon upon the first 100,000 gallons of aviation jet fuel, excluding bonded
3605 aviation jet fuel, purchased or acquired for use by any aviation consumer in any fiscal year. There is hereby
3606 levied a tax at the rate of one-half cent per gallon on all aviation jet fuel, excluding bonded aviation jet
3607 fuel, purchased or acquired for use by an aviation consumer in excess of 100,000 gallons in any fiscal
3608 year. Any person, whether or not licensed under this chapter, who uses, acquires for use, sells or delivers
3609 for use in highway vehicles any aviation jet fuel taxable under this chapter shall be liable for the tax
3610 imposed at the rate levied on diesel fuel, along with any penalties and interest that may accrue.

3611 F. In accordance with § 62.1-44.34:13, a storage tank fee is imposed on each gallon of gasoline,
3612 aviation gasoline, diesel fuel (including dyed diesel fuel), blended fuel, and heating oil sold and delivered
3613 or used in the Commonwealth.

3614 **§ 58.1-2249. Tax on alternative fuel.**

3615 ~~A.~~ There is hereby levied a tax at the rate levied on gasoline and gasohol on liquid alternative fuel
3616 used to operate a highway vehicle by means of a vehicle supply tank that stores fuel only for the purpose
3617 of supplying fuel to operate the vehicle. There is hereby levied a tax at a rate equivalent to that levied on
3618 gasoline and gasohol on all other alternative fuel used to operate a highway vehicle. The Commissioner
3619 shall determine the equivalent rate applicable to such other alternative fuels.

3620 ~~B. (Contingent expiration date) In addition to any tax imposed by this article, there is hereby levied~~
3621 ~~an annual license tax of \$64 per vehicle on each highway vehicle registered in Virginia that is an electric~~
3622 ~~motor vehicle or an alternative fuel vehicle. However, no license tax shall be levied on any vehicle that~~

~~(i) is subject to the tax on fuels levied pursuant to subsection A, (ii) is subject to the federal excise tax levied under § 4041 of the Internal Revenue Code, (iii) is a moped as defined in § 46.2-100, or (iv) is registered under the International Registration Plan. If such a highway vehicle is registered for a period other than one year as provided under § 46.2-646, the license tax shall be multiplied by the number of years or fraction thereof that the vehicle will be registered. The revenues generated by this subsection shall be deposited in the Highway Maintenance and Operating Fund established pursuant to § 33.2-1530.~~

~~B. (Contingent effective date) In addition to any tax imposed by this article, there is hereby levied an annual license tax of \$50 per vehicle on each highway vehicle registered in Virginia that is an electric motor vehicle. If such a highway vehicle is registered for a period other than one year as provided under § 46.2-646, the license tax shall be multiplied by the number of years or fraction thereof that the vehicle will be registered.~~

§ 58.1-2289. Disposition of tax revenue generally.

A. Unless otherwise provided in this section, all taxes and fees, including civil penalties, collected by the Commissioner pursuant to this chapter, less a reasonable amount to be allocated for refunds, shall be promptly paid into the state treasury and shall constitute special funds within the Commonwealth Transportation Fund. Any balances remaining in these funds at the end of the year shall be available for use in subsequent years for the purposes set forth in this chapter, and any interest income on such funds shall accrue to these funds.

The Governor is hereby authorized to transfer out of such fund an amount necessary for the inspection of gasoline and motor grease measuring and distributing equipment, and for the inspection and analysis of gasoline for purity.

B. The tax collected on each gallon of aviation fuel sold and delivered or used in this Commonwealth, less refunds, shall be paid into a special fund of the state treasury. Proceeds of this special fund within the Commonwealth Transportation Fund shall be disbursed upon order of the Department of Aviation, on warrants of the Comptroller, to defray the cost of the administration of the laws of this Commonwealth relating to aviation, for the construction, maintenance and improvement of airports and

3649 landing fields to which the public now has or which it is proposed shall have access, and for the promotion
3650 of aviation in the interest of operators and the public generally.

3651 C. One-half cent of the tax collected on each gallon of fuel on which a refund has been paid for
3652 gasoline, gasohol, diesel fuel, blended fuel, or alternative fuel, for fuel consumed in tractors and unlicensed
3653 equipment used for agricultural purposes shall be paid into a special fund of the state treasury, known as
3654 the Virginia Agricultural Foundation Fund, to be disbursed to make certain refunds and defray the costs
3655 of the research and educational phases of the agricultural program, including supplemental salary
3656 payments to certain employees at Virginia Polytechnic Institute and State University, the Department of
3657 Agriculture and Consumer Services and the Virginia Truck and Ornamentals Research Station, including
3658 reasonable expenses of the Virginia Agricultural Council.

3659 D. One and one-half cents of the tax collected on each gallon of fuel used to propel a commercial
3660 watercraft upon which a refund has been paid shall be paid to the credit of the Game Protection Fund of
3661 the state treasury to be made available to the Board of Game and Inland Fisheries until expended for the
3662 purposes provided generally in subsection C of § 29.1-701, including acquisition, construction,
3663 improvement and maintenance of public boating access areas on the public waters of this Commonwealth
3664 and for other activities and purposes of direct benefit and interest to the boating public and for no other
3665 purpose. However, one and one-half cents per gallon on fuel used by commercial fishing, oystering,
3666 clamming, and crabbing boats shall be paid to the Department of Transportation to be used for the
3667 construction, repair, improvement and maintenance of the public docks of this Commonwealth used by
3668 said commercial watercraft. Any expenditures for the acquisition, construction, improvement and
3669 maintenance of the public docks shall be made according to a plan developed by the Virginia Marine
3670 Resources Commission.

3671 From the tax collected pursuant to the provisions of this chapter from the sales of gasoline used
3672 for the propelling of watercraft, after deduction for lawful refunds, there shall be paid into the state treasury
3673 for use by the Marine Resources Commission, the Virginia Soil and Water Conservation Board, the State
3674 Water Control Board, and the Commonwealth Transportation Board to (i) improve the public docks as
3675 specified in this section, (ii) improve commercial and sports fisheries in Virginia's tidal waters, (iii) make

3676 environmental improvements including, without limitation, fisheries management and habitat
3677 enhancement in the Chesapeake and its tributaries, and (iv) further the purposes set forth in § 33.2-1510,
3678 a sum as established by the General Assembly.

3679 ~~E. Of the remaining revenues deposited into the Commonwealth Transportation Fund pursuant to~~
3680 ~~this chapter less refunds authorized by this chapter: (i) 80 percent shall be deposited into the Highway~~
3681 ~~Maintenance and Operating Fund established pursuant to § 33.2-1530, (ii) 11.3 percent shall be deposited~~
3682 ~~into the Transportation Trust Fund established pursuant to § 33.2-1524, (iii) four percent shall be deposited~~
3683 ~~into the Priority Transportation Fund, (iv) 3.7 percent shall be deposited into the Commonwealth Mass~~
3684 ~~Transit Fund established pursuant to subdivision A 4 of § 58.1-638, and (v) one percent shall be transferred~~
3685 ~~to a special fund within the Commonwealth Transportation Fund in the state treasury, to be used to meet~~
3686 ~~the necessary expenses of the Department of Motor Vehicles. All remaining revenue shall be deposited~~
3687 ~~into the Commonwealth Transportation Fund established pursuant to § 33.2-1524.~~

3688 **§ 58.1-2295. (Contingent expiration date) Levy; payment of tax.**

3689 A. 1. In addition to all other taxes now imposed by law, there is hereby imposed a tax upon every
3690 distributor who engages in the business of selling fuels at wholesale to retail dealers for retail sale in any
3691 county or city that is a member of (i) any transportation district in which a rapid heavy rail commuter mass
3692 transportation system operating on an exclusive right-of-way and a bus commuter mass transportation
3693 system are owned, operated, or controlled by an agency or commission as defined in § 33.2-1901 or (ii)
3694 any transportation district that is subject to subsection C of § 33.2-1915 and that is contiguous to the
3695 Northern Virginia Transportation District.

3696 2. In addition to all other taxes now imposed by law, there is hereby imposed a tax upon every
3697 distributor who engages in the business of selling fuels at wholesale to retail dealers for retail sale in any
3698 county or city that is located in a Planning District established pursuant to Chapter 42 (§ 15.2-4200 et
3699 seq.) of Title 15.2 that (i) as of January 1, 2013, has a population of not less than 1.5 million but fewer
3700 than two million, as shown by the most recent United States Census, has not less than 1.2 million but
3701 fewer than 1.7 million motor vehicles registered therein, and has a total transit ridership of not less than
3702 15 million but fewer than 50 million riders per year across all transit systems within the Planning District

or (ii) as shown by the most recent United States Census meets the population criteria set forth in clause (i) and also meets the vehicle registration and ridership criteria set forth in clause (i). In any case in which the tax is imposed pursuant to clause (ii), such tax shall be effective beginning on the July 1 immediately following the calendar year in which all of the criteria have been met.

3. In addition to all other taxes now imposed by law, there is hereby imposed a tax upon every distributor who engages in the business of selling fuels at wholesale to retail dealers for retail sale in any county or city that is located in a planning district established pursuant to Chapter 42 (§ 15.2-4200 et seq.) of Title 15.2 through which an interstate that (i) is more than 300 miles in length in the Commonwealth and (ii) as of January 1, 2019, carried more than 40 percent of interstate vehicle miles traveled for vehicles classified as Class 6 or higher.

B. 1. The tax shall be imposed on each gallon of fuel, other than diesel fuel, sold by a distributor to a retail dealer for retail sale in any such county or city described in subsection A at a rate of ~~2.1 percent~~ of the statewide average distributor price of a gallon of unleaded regular gasoline as determined by the Commissioner pursuant to subdivision C 1 7.6 cents per gallon on gasoline and gasohol. Beginning July 1, 2021, the tax rate shall be adjusted annually based on the greater of (i) the change in the United States Average Consumer Price Index for all items, all urban consumers (CPI-U), as published by the Bureau of Labor Statistics for the U.S. Department of Labor for the previous year or (ii) zero. For alternative fuels other than liquid alternative fuels, the Commissioner shall determine an equivalent tax rate based on gasoline gallon equivalency.

2. The tax shall be imposed on each gallon of diesel fuel sold by a distributor to a retail dealer for retail sale in any such county or city at a rate of ~~2.1 percent of the statewide average distributor price of a gallon of diesel fuel as determined by the Commissioner pursuant to subdivision C 2~~ 7.7 cents per gallon on diesel fuel. Beginning July 1, 2021, the tax rate shall be adjusted annually based on the greater of (i) the change in the United States Average Consumer Price Index for all items, all urban consumers (CPI-U), as published by the Bureau of Labor Statistics for the U.S. Department of Labor for the previous year or (ii) zero.

3729 C. 1. ~~To determine the statewide average distributor price of a gallon of unleaded regular gasoline,~~
3730 ~~the Commissioner shall use the period from June 1 to November 30, inclusive, as the base period for the~~
3731 ~~determination of the rate of the tax for the immediately following applied period beginning January 1 and~~
3732 ~~ending June 30, inclusive. The Commissioner shall use the period from December 1 to May 31, inclusive,~~
3733 ~~as the base period for the determination of the rate of the tax for the immediately following applied period~~
3734 ~~beginning July 1 and ending December 31, inclusive. In no case shall the statewide average distributor~~
3735 ~~price of a gallon of unleaded regular gasoline determined for the purposes of this section be less than the~~
3736 ~~statewide average wholesale price of a gallon of unleaded regular gasoline on February 20, 2013, plus a~~
3737 ~~distributor charge calculated by the Commissioner for that date.~~

3738 2. ~~To determine the statewide average distributor price of a gallon of diesel fuel, the Commissioner~~
3739 ~~shall use the period from June 1 to November 30, inclusive, as the base period for the determination of~~
3740 ~~the rate of the tax for the immediately following applied period beginning January 1 and ending June 30,~~
3741 ~~inclusive. The Commissioner shall use the period from December 1 to May 31, inclusive, as the base~~
3742 ~~period for the determination of the rate of the tax for the immediately following applied period beginning~~
3743 ~~July 1 and ending December 31, inclusive. In no case shall the statewide average distributor price of a~~
3744 ~~gallon of diesel fuel determined for the purposes of this section be less than the statewide average~~
3745 ~~wholesale price of a gallon of diesel fuel on February 20, 2013, plus a distributor charge calculated by the~~
3746 ~~Commissioner for that date.~~

3747 ~~D.~~ The tax levied under this section shall be imposed at the time of sale by the distributor to the
3748 retail dealer.

3749 ~~E.~~ D. The tax imposed by this section shall be paid by the distributor, but the distributor shall
3750 separately state the amount of the tax and add such tax to the price or charge. Thereafter, such tax shall be
3751 a debt from the retail dealer to the distributor until paid and shall be recoverable at law in the same manner
3752 as other debts. No action at law or suit in equity under this chapter shall be maintained in the
3753 Commonwealth by any distributor who is not registered under § 58.1-2299.2 or is delinquent in the
3754 payment of taxes imposed under this chapter.

3755 ~~F.-E.~~ Nothing in this section shall be construed to exempt the imposition and remittance of tax
3756 pursuant to this section in a sale to a retail dealer in which the distributor and the retail dealer are the same
3757 person.

3758 **§ 58.1-2299.20. (Contingent expiration dates) Disposition of tax revenues.**

3759 A. All taxes, interest, and civil penalties paid to the Commissioner pursuant to this chapter for the
3760 sale of fuels at wholesale to retail dealers for retail sale in any county or city set forth in clause (i) of
3761 subdivision A 1 of § 58.1-2295, after subtraction of the direct costs of administration by the Department,
3762 shall be deposited each month as follows:

3763 1. One-twelfth of an amount determined by multiplying \$15 million by a fraction, the numerator
3764 of which shall be such transportation district's share of funding for the commuter rail service jointly
3765 operated by the two transportation districts and the denominator of which shall be the total funding share
3766 for such commuter rail service, shall be deposited in the Commuter Rail Operating and Capital Fund
3767 established pursuant to § 33.2-3500;

3768 2. ~~a. Until June 30, 2019, an amount equal to the increase in taxes, interest, and civil penalties paid~~
3769 ~~to the Commissioner each month, compared with the same month for fiscal year 2018, minus any amounts~~
3770 ~~deposited pursuant to subdivision 1, shall be deposited into the Washington Metropolitan Area Transit~~
3771 ~~Capital Fund established pursuant to § 33.2-3401; and~~

3772 ~~b. Beginning on July 1, 2019, an amount equal to one-twelfth of the increase in taxes, interest, and~~
3773 ~~civil penalties paid to the Commissioner in fiscal year 2019 compared to fiscal year 2018, minus any~~
3774 ~~amounts deposited pursuant to subdivision A 1, One-twelfth of \$22.183 million shall be deposited in the~~
3775 ~~Washington Metropolitan Area Transit Authority Capital Fund established pursuant to § 33.2-3401; and~~

3776 3. All remaining funds shall be deposited in a special fund entitled the "Special Fund Account of
3777 the Transportation District of _____. The amounts deposited in the special fund shall be distributed
3778 monthly to the applicable transportation district commission of which the county or city is a member to
3779 be applied to the operating deficit, capital, and debt service of the mass transit system of such district or,
3780 in the case of a transportation district subject to the provisions of subsection C of § 33.2-1915, to be
3781 applied to and expended for any transportation purpose of such district. In the case of a jurisdiction which,

3782 after July 1, 1989, joins a transportation district which was established on or before January 1, 1986, and
3783 is also subject to subsection C of § 33.2-1915, the funds collected from that jurisdiction shall be applied
3784 to and expended for any transportation purpose of such jurisdiction.

3785 B. All taxes, interest, and civil penalties paid to the Commissioner pursuant to this chapter for the
3786 sale of fuels at wholesale to retail dealers for retail sale in any county or city set forth in clause (ii) of
3787 subdivision A 1 of § 58.1-2295, after subtraction of the direct costs of administration by the Department,
3788 shall be deposited each month as follows:

3789 1. One-twelfth of an amount determined by multiplying \$15 million by a fraction, the numerator
3790 of which shall be such transportation district's share of funding for the commuter rail service jointly
3791 operated by the two transportation districts and the denominator of which shall be the total funding share
3792 for such commuter rail service, shall be deposited in the Commuter Rail Operating and Capital Fund
3793 established pursuant to § 33.2-3500; and

3794 2. All remaining funds shall be deposited in a special fund entitled the "Special Fund Account of
3795 the Transportation District of _____.\" The amounts deposited in the special fund shall be distributed
3796 monthly to the applicable transportation district commission of which the county or city is a member to
3797 be applied to the operating deficit, capital, and debt service of the mass transit system of such district or,
3798 in the case of a transportation district subject to the provisions of subsection C of § 33.2-1915, to be
3799 applied to and expended for any transportation purpose of such district. In the case of a jurisdiction which,
3800 after July 1, 1989, joins a transportation district that was established on or before January 1, 1986, and is
3801 also subject to subsection C of § 33.2-1915, the funds collected from that jurisdiction shall be applied to
3802 and expended for any transportation purpose of such jurisdiction.

3803 C. All taxes, interest, and civil penalties paid to the Commissioner pursuant to this chapter for the
3804 sale of fuels at wholesale to retail dealers for retail sale in any county or city set forth in subdivision A 2
3805 of § 58.1-2295, after subtraction of the direct costs of administration by the Department, shall be deposited
3806 into special funds established by law. In the case of Planning District 23, the revenue generated and
3807 collected therein shall be deposited into the fund established in § 33.2-2600. For additional Planning
3808 Districts that may become subject to this section, funds shall be established by appropriate legislation.

3809 D. All taxes, interest, and civil penalties paid to the Commissioner pursuant to this chapter for the
3810 sale of fuels at wholesale to retail dealers for retail sale in any county or city set forth in ~~§ 58.1-2295.1~~
3811 subdivision A 3 of § 58.1-2295, after subtraction of the direct costs of administration by the Department,
3812 shall be deposited into the Interstate 81 Corridor Improvement Fund established pursuant to Chapter 36
3813 (§ 33.2-3600) of Title 33.2.

3814 E. The direct cost of administration of this section shall be credited to the funds appropriated to
3815 the Department.

3816 **§ 58.1-2299.20. (For contingent effective date see Acts 2019, cc. 837 and 846) Disposition of**
3817 **tax revenues.**

3818 A. All taxes, interest, and civil penalties paid to the Commissioner pursuant to this chapter for the
3819 sale of fuels at wholesale to retail dealers for retail sale in any county or city set forth in clause (i) of
3820 subdivision A 1 of § 58.1-2295, after subtraction of the direct costs of administration by the Department,
3821 shall be deposited each month as follows:

3822 1. One-twelfth of an amount determined by multiplying \$15 million by a fraction, the numerator
3823 of which shall be such transportation district's share of funding for the commuter rail service jointly
3824 operated by the two transportation districts and the denominator of which shall be the total funding share
3825 for such commuter rail service, shall be deposited in the Commuter Rail Operating and Capital Fund
3826 established pursuant to § 33.2-3500;

3827 ~~2. a. Until June 30, 2019, an amount equal to the increase in taxes, interest, and civil penalties paid~~
3828 ~~to the Commissioner each month, compared with the same month for fiscal year 2018, minus any amounts~~
3829 ~~deposited pursuant to subdivision 1, shall be deposited into the Washington Metropolitan Area Transit~~
3830 ~~Capital Fund established pursuant to § 33.2-3401; and~~

3831 ~~b. Beginning on July 1, 2019, an amount equal to one-twelfth of the increase in taxes, interest, and~~
3832 ~~civil penalties paid to the Commissioner in fiscal year 2019 compared to fiscal year 2018, minus any~~
3833 ~~amounts deposited pursuant to subdivision A 1, One-twelfth of \$22.183 million shall be deposited in the~~
3834 Washington Metropolitan Area Transit Authority Capital Fund established pursuant to § 33.2-3401; and

3835 3. All remaining funds shall be deposited in a special fund entitled the "Special Fund Account of
3836 the Transportation District of _____. The amounts deposited in the special fund shall be distributed
3837 monthly to the applicable transportation district commission of which the county or city is a member to
3838 be applied to the operating deficit, capital, and debt service of the mass transit system of such district or,
3839 in the case of a transportation district subject to the provisions of subsection C of § 33.2-1915, to be
3840 applied to and expended for any transportation purpose of such district. In the case of a jurisdiction which,
3841 after July 1, 1989, joins a transportation district which was established on or before January 1, 1986, and
3842 is also subject to subsection C of § 33.2-1915, the funds collected from that jurisdiction shall be applied
3843 to and expended for any transportation purpose of such jurisdiction.

3844 B. All taxes, interest, and civil penalties paid to the Commissioner pursuant to this chapter for the
3845 sale of fuels at wholesale to retail dealers for retail sale in any county or city set forth in clause (ii) of
3846 subdivision A 1 of § 58.1-2295, after subtraction of the direct costs of administration by the Department,
3847 shall be deposited each month as follows:

3848 1. One-twelfth of an amount determined by multiplying \$15 million by a fraction, the numerator
3849 of which shall be such transportation district's share of funding for the commuter rail service jointly
3850 operated by the two transportation districts and the denominator of which shall be the total funding share
3851 for such commuter rail service, shall be deposited in the Commuter Rail Operating and Capital Fund
3852 established pursuant to § 33.2-3500; and

3853 2. All remaining funds shall be deposited in a special fund entitled the "Special Fund Account of
3854 the Transportation District of _____. The amounts deposited in the special fund shall be distributed
3855 monthly to the applicable transportation district commission of which the county or city is a member to
3856 be applied to the operating deficit, capital, and debt service of the mass transit system of such district or,
3857 in the case of a transportation district subject to the provisions of subsection C of § 33.2-1915, to be
3858 applied to and expended for any transportation purpose of such district. In the case of a jurisdiction which,
3859 after July 1, 1989, joins a transportation district that was established on or before January 1, 1986, and is
3860 also subject to subsection C of § 33.2-1915, the funds collected from that jurisdiction shall be applied to
3861 and expended for any transportation purpose of such jurisdiction.

3862 C. All taxes, interest, and civil penalties paid to the Commissioner pursuant to this chapter for the
3863 sale of fuels at wholesale to retail dealers for retail sale in any county or city set forth in subdivision A 2
3864 of § 58.1-2295, after subtraction of the direct costs of administration by the Department, shall be deposited
3865 into special funds established by law. In the case of Planning District 23, the revenue generated and
3866 collected therein shall be deposited into the fund established in § 33.2-2600. For additional Planning
3867 Districts that may become subject to this section, funds shall be established by appropriate legislation.

3868 D. The direct cost of administration of this section shall be credited to the funds appropriated to
3869 the Department.

3870 **§ 58.1-2425. (Contingent expiration date) Disposition of revenues.**

3871 ~~A.-(For contingent expiration date, see Acts 2019, c. 52, cl. 2) Funds collected hereunder by the~~
3872 ~~Commissioner shall be forthwith paid into the state treasury. Except as otherwise provided in this section,~~
3873 ~~these funds shall constitute special funds within the Commonwealth Transportation Fund. Any balances~~
3874 ~~remaining in these funds at the end of the year shall be available for use in subsequent years for the~~
3875 ~~purposes set forth in this chapter, and any interest income on such funds shall accrue to these funds. The~~
3876 ~~revenue so derived, after refunds have been deducted, is hereby allocated for the construction,~~
3877 ~~reconstruction and maintenance of highways and the regulation of traffic thereon and for no other purpose.~~
3878 ~~However, (i) all funds collected pursuant to the provisions of this chapter from manufactured homes, as~~
3879 ~~defined in § 46.2-100, shall be distributed to the city, town, or county wherein such manufactured home~~
3880 ~~is to be situated as a dwelling; (ii)-effective January 1, 1987, an amount equivalent to the net additional~~
3881 ~~revenues from the sales and use tax on motor vehicles generated by enactments of the 1986 Special Session~~
3882 ~~of the Virginia General Assembly which amended §§ 46.2-694, 46.2-697, 58.1-2401, 58.1-2402, and this~~
3883 ~~section shall be distributed to and paid into the Transportation Trust Fund established pursuant to § 33.2-~~
3884 ~~1524, a special fund within the Commonwealth Transportation Fund, and are hereby appropriated to the~~
3885 ~~Commonwealth Transportation Board for transportation needs; (iii) the net additional revenues generated~~
3886 ~~by increases in the rates of taxes under subdivisions A 1 and A 2 of § 58.1-2402 and generated by the~~
3887 ~~increase in the minimum tax under subdivision A 3 of § 58.1-2402 pursuant to enactments of a Session of~~
3888 ~~the General Assembly held in 2013 shall be deposited by the Comptroller into the Highway Maintenance~~

~~and Operating Fund established pursuant to § 33.2-1530; and (iv)~~ all funds collected pursuant to the provisions of this chapter from all-terrain vehicles, mopeds, and off-road motorcycles, as those terms are defined in § 46.2-100, shall be distributed as follows: (a) an amount equal to a one percent tax shall be distributed in the same manner as the one percent local sales tax pursuant to § 58.1-605, except that this amount collected on sales by anyone other than a Virginia dealer or on sales outside of Virginia shall be distributed to the county or city in which the vehicle is used or stored for use; (b) an amount equal to a 4.3 percent tax shall be distributed in the same manner as the state sales and use tax pursuant to §§ 58.1-638 and 58.1-638.3, except that this amount collected on sales by anyone other than a Virginia dealer or on sales outside of Virginia shall be distributed to the county or city in which the vehicle is used or stored for use; (c) if the all-terrain vehicle, moped, or off-road motorcycle was purchased from a Virginia dealer in a county or city in a planning district described in § 58.1-603.1, an amount equal to a 0.7 percent tax shall be distributed pursuant to § 58.1-603.1; (d) if the all-terrain vehicle, moped, or off-road motorcycle was purchased from anyone other than a Virginia dealer or outside of Virginia and then used or stored for use in a county or city in a planning district described in § 58.1-603.1, an amount equal to a 0.7 percent tax shall be distributed to the county or city in which the vehicle is used or stored for use; and (e) an amount equal to a one percent tax shall be distributed in a manner consistent with the provisions of subsection I of § 58.1-638 for each all-terrain vehicle, moped, and off-road motorcycle subject to the additional tax within the Historic Triangle under subdivision A 1 of § 58.1-2402; and (iii) all remaining funds, after the collection costs of the Department of Motor Vehicles, from the sales and use tax on motor vehicles shall be distributed to and paid into the Commonwealth Transportation Fund pursuant to § 33.2-1524.

~~A.~~(For contingent effective date, see Acts 2019, c. 52, cl. 2) Funds collected hereunder by the Commissioner shall be forthwith paid into the state treasury. Except as otherwise provided in this section, these funds shall constitute special funds within the Commonwealth Transportation Fund. Any balances remaining in these funds at the end of the year shall be available for use in subsequent years for the purposes set forth in this chapter, and any interest income on such funds shall accrue to these funds. The revenue so derived, after refunds have been deducted, is hereby allocated for the construction, reconstruction and maintenance of highways and the regulation of traffic thereon and for no other purpose.

3916 However, (i) all funds collected pursuant to the provisions of this chapter from manufactured homes, as
3917 defined in § 46.2-100, shall be distributed to the city, town, or county wherein such manufactured home
3918 is to be situated as a dwelling; (ii) ~~effective January 1, 1987, an amount equivalent to the net additional~~
3919 ~~revenues from the sales and use tax on motor vehicles generated by enactments of the 1986 Special Session~~
3920 ~~of the Virginia General Assembly which amended §§ 46.2-694, 46.2-697, 58.1-2401, 58.1-2402, and this~~
3921 ~~section shall be distributed to and paid into the Transportation Trust Fund established pursuant to § 33.2-~~
3922 ~~1524, a special fund within the Commonwealth Transportation Fund, and are hereby appropriated to the~~
3923 ~~Commonwealth Transportation Board for transportation needs; (iii) the net additional revenues generated~~
3924 ~~by increases in the rates of taxes under subdivisions A 1 and A 2 of § 58.1-2402 and generated by the~~
3925 ~~increase in the minimum tax under subdivision A 3 of § 58.1-2402 pursuant to enactments of a Session of~~
3926 ~~the General Assembly held in 2013 shall be deposited by the Comptroller into the Highway Maintenance~~
3927 ~~and Operating Fund established pursuant to § 33.2-1530; and (iv) all funds collected pursuant to the~~
3928 provisions of this chapter from all-terrain vehicles, mopeds, and off-road motorcycles, as those terms are
3929 defined in § 46.2-100, shall be distributed as follows: (a) an amount equal to a one percent tax shall be
3930 distributed in the same manner as the one percent local sales tax pursuant to § 58.1-605, except that this
3931 amount collected on sales by anyone other than a Virginia dealer or on sales outside of Virginia shall be
3932 distributed to the county or city in which the vehicle is used or stored for use; (b) an amount equal to a 4.3
3933 percent tax shall be distributed in the same manner as the state sales and use tax pursuant to §§ 58.1-638
3934 and 58.1-638.3, except that this amount collected on sales by anyone other than a Virginia dealer or on
3935 sales outside of Virginia shall be distributed to the county or city in which the vehicle is used or stored for
3936 use; (c) if the all-terrain vehicle, moped, or off-road motorcycle was purchased from a Virginia dealer in
3937 a county or city in a planning district described in § 58.1-603.1, an amount equal to a 0.7 percent tax shall
3938 be distributed pursuant to § 58.1-603.1; and (d) if the all-terrain vehicle, moped, or off-road motorcycle
3939 was purchased from anyone other than a Virginia dealer or outside of Virginia and then used or stored for
3940 use in a county or city in a planning district described in § 58.1-603.1, an amount equal to a 0.7 percent
3941 tax shall be distributed to the county or city in which the vehicle is used or stored for use; and (iii) all
3942 remaining funds, after the collection costs of the Department of Motor Vehicles, from the sales and use

3943 tax on motor vehicles shall be distributed to and paid into the Commonwealth Transportation Fund
3944 pursuant to § 33.2-1524.

3945 ~~B. As provided in subsection A of § 58.1-638, of the funds becoming part of the Transportation~~
3946 ~~Trust Fund pursuant to clause (ii) of subsection A, an aggregate of 4.2 percent shall be set aside as the~~
3947 ~~Commonwealth Port Fund; an aggregate of 2.4 percent shall be set aside as the Commonwealth Airport~~
3948 ~~Fund; and an aggregate of 14.5 percent in fiscal year 1998-1999 and 14.7 percent in fiscal year 1999-2000~~
3949 ~~and thereafter shall be set aside as the Commonwealth Mass Transit Fund.~~

3950 **§ 58.1-2425. (Contingent effective date) Disposition of revenues.**

3951 ~~A.~~(For contingent expiration date, see Acts 2019, c. 52, cl. 2) Funds collected hereunder by the
3952 Commissioner shall be forthwith paid into the state treasury. Except as otherwise provided in this section,
3953 these funds shall constitute special funds within the Commonwealth Transportation Fund. Any balances
3954 remaining in these funds at the end of the year shall be available for use in subsequent years for the
3955 purposes set forth in this chapter, and any interest income on such funds shall accrue to these funds. The
3956 revenue so derived, after refunds have been deducted, is hereby allocated for the construction,
3957 reconstruction and maintenance of highways and the regulation of traffic thereon and for no other purpose.
3958 However, (i) all funds collected pursuant to the provisions of this chapter from manufactured homes, as
3959 defined in § 46.2-100, shall be distributed to the city, town, or county wherein such manufactured home
3960 is to be situated as a dwelling; (ii) ~~effective January 1, 1987, an amount equivalent to the net additional~~
3961 ~~revenues from the sales and use tax on motor vehicles generated by enactments of the 1986 Special Session~~
3962 ~~of the Virginia General Assembly which amended §§ 46.2-694, 46.2-697, 58.1-2401, 58.1-2402 and this~~
3963 ~~section shall be distributed to and paid into the Transportation Trust Fund established pursuant to § 33.2-~~
3964 ~~1524, a special fund within the Commonwealth Transportation Fund, and are hereby appropriated to the~~
3965 ~~Commonwealth Transportation Board for transportation needs; and (iii) all funds collected pursuant to the~~
3966 ~~provisions of this chapter from all-terrain vehicles, mopeds, and off-road motorcycles, as those terms are~~
3967 ~~defined in § 46.2-100, shall be distributed as follows: (a) an amount equal to a one percent tax shall be~~
3968 ~~distributed in the same manner as the one percent local sales tax pursuant to § 58.1-605, except that this~~
3969 ~~amount collected on sales by anyone other than a Virginia dealer or on sales outside of Virginia shall be~~

3970 distributed to the county or city in which the vehicle is used or stored for use; (b) an amount equal to a
3971 four percent tax shall be distributed in the same manner as the state sales and use tax pursuant to § 58.1-
3972 638, except that this amount collected on sales by anyone other than a Virginia dealer or on sales outside
3973 of Virginia shall be distributed to the county or city in which the vehicle is used or stored for use; and (c)
3974 an amount equal to a one percent tax shall be distributed in a manner consistent with the provisions of
3975 subsection I of § 58.1-638 for each all-terrain vehicle, moped, and off-road motorcycle subject to the
3976 additional tax within the Historic Triangle under subdivision A 1 of § 58.1-2402; and (iii) all remaining
3977 funds, after the collection costs of the Department of Motor Vehicles, from the sales and use tax on motor
3978 vehicles shall be distributed to and paid into the Commonwealth Transportation Fund established pursuant
3979 to § 33.2-1524.

3980 ~~A.~~(For contingent effective date, see Acts 2019, c. 52, cl. 2) Funds collected hereunder by the
3981 Commissioner shall be forthwith paid into the state treasury. Except as otherwise provided in this section,
3982 these funds shall constitute special funds within the Commonwealth Transportation Fund. Any balances
3983 remaining in these funds at the end of the year shall be available for use in subsequent years for the
3984 purposes set forth in this chapter, and any interest income on such funds shall accrue to these funds. The
3985 revenue so derived, after refunds have been deducted, is hereby allocated for the construction,
3986 reconstruction and maintenance of highways and the regulation of traffic thereon and for no other purpose.
3987 However, (i) all funds collected pursuant to the provisions of this chapter from manufactured homes, as
3988 defined in § 46.2-100, shall be distributed to the city, town, or county wherein such manufactured home
3989 is to be situated as a dwelling; (ii) ~~effective January 1, 1987, an amount equivalent to the net additional~~
3990 ~~revenues from the sales and use tax on motor vehicles generated by enactments of the 1986 Special Session~~
3991 ~~of the Virginia General Assembly which amended §§ 46.2-694, 46.2-697, 58.1-2401, 58.1-2402 and this~~
3992 ~~section shall be distributed to and paid into the Transportation Trust Fund established pursuant to § 33.2-~~
3993 ~~1524, a special fund within the Commonwealth Transportation Fund, and are hereby appropriated to the~~
3994 ~~Commonwealth Transportation Board for transportation needs; and (iii) all funds collected pursuant to the~~
3995 provisions of this chapter from all-terrain vehicles, mopeds, and off-road motorcycles, as those terms are
3996 defined in § 46.2-100, shall be distributed as follows: (a) an amount equal to a one percent tax shall be

3997 distributed in the same manner as the one percent local sales tax pursuant to § 58.1-605, except that this
3998 amount collected on sales by anyone other than a Virginia dealer or on sales outside of Virginia shall be
3999 distributed to the county or city in which the vehicle is used or stored for use and (b) an amount equal to
4000 a four percent tax shall be distributed in the same manner as the state sales and use tax pursuant to § 58.1-
4001 638, except that this amount collected on sales by anyone other than a Virginia dealer or on sales outside
4002 of Virginia shall be distributed to the county or city in which the vehicle is used or stored for use; and (iii)
4003 all remaining funds, after the collection costs of the Department of Motor Vehicles, from the sales and use
4004 tax on motor vehicles shall be distributed to and paid into the Commonwealth Transportation Fund
4005 established pursuant to § 33.2-1524.

4006 ~~B. As provided in subsection A of § 58.1-638, of the funds becoming part of the Transportation~~
4007 ~~Trust Fund pursuant to clause (ii) of subsection A of this section, an aggregate of 4.2 percent shall be set~~
4008 ~~aside as the Commonwealth Port Fund; an aggregate of 2.4 percent shall be set aside as the Commonwealth~~
4009 ~~Airport Fund; and an aggregate of 14.5 percent in fiscal year 1998-1999 and 14.7 percent in fiscal year~~
4010 ~~1999-2000 and thereafter shall be set aside as the Commonwealth Mass Transit Fund.~~

4011 **§ 58.1-2531. Distribution of certain revenue.**

4012 A. Beginning with the Commonwealth's fiscal year beginning on July 1, 2008 and for each fiscal
4013 year thereafter, an amount equal to one-third of all revenues collected by the Department in the most
4014 recently ended fiscal year from the tax imposed under this chapter, less one-third of the total amount of
4015 such tax refunded in the most recently ended fiscal year, shall be deposited by the Comptroller to the
4016 Priority Commonwealth Transportation Fund established under § 33.2-1527 § 33.2-1524.

4017 B. For purposes of the Comptroller's deposits under this section, the Tax Commissioner shall, no
4018 later than July 15 of each year, provide a written certification to the Comptroller that reports the amount
4019 to be deposited pursuant to subsection A. After the required amount has been deposited as provided in
4020 subsection A, all remaining revenues from the tax imposed under this chapter shall be deposited into the
4021 general fund of the state treasury. The Comptroller shall make all deposits under this section as soon as
4022 practicable.

4023 **§ 58.1-2701. (Contingent expiration date) Amount of tax.**

4024 A. Except as provided in subsection C, every motor carrier shall pay a road tax per gallon
4025 equivalent to the cents per gallon credit for diesel fuel as determined under subsection A of § 58.1-2706
4026 for the relevant period plus an additional amount per gallon, as determined by subsection B, calculated on
4027 the amount of motor fuel, diesel fuel or liquefied gases (which would not exist as liquids at a temperature
4028 of 60 degrees Fahrenheit and a pressure of 14.7 pounds per square inch absolute), used in its operations
4029 within the Commonwealth.

4030 The tax imposed by this chapter shall be in addition to all other taxes of whatever character
4031 imposed on a motor carrier by any other provision of law.

4032 B. The additional amount per gallon shall be determined by the Commissioner annually, effective
4033 July 1 of each year. On July 1, 2019, the additional amount per gallon shall be calculated by multiplying
4034 the average fuel economy by \$0.01125. On July 1, 2020, and each July 1 thereafter, the additional amount
4035 per gallon shall be calculated by multiplying the average fuel economy by \$0.0225. The additional amount
4036 per gallon shall be rounded to the nearest one-tenth of a cent. For purposes of this subsection, "average
4037 fuel economy" shall be calculated by dividing the total taxable miles driven in the Commonwealth by the
4038 total taxable gallons of fuel consumed in the Commonwealth, as reported in IFTA returns in the preceding
4039 taxable year.

4040 C. In lieu of the tax imposed in subsection A, motor carriers registering qualified highway vehicles
4041 that are not registered under the International Registration Plan shall pay a fee of \$150 per year for each
4042 qualified highway vehicle regardless of whether such vehicle will be included on the motor carrier's IFTA
4043 return. For the period of July 1, 2019, through June 30, 2020, the fee shall be adjusted based on the percent
4044 change in the road tax imposed pursuant to subsection A from June 30, 2019, to July 1, 2019. The
4045 Commissioner shall adjust the fee annually on July 1 of every year thereafter based on the percentage
4046 change in the road tax imposed pursuant to subsection A for the previous fiscal year as compared to the
4047 current fiscal year. The fee is due and payable when the vehicle registration fees are paid pursuant to the
4048 provisions of Article 7 (§ 46.2-685 et seq.) of Chapter 6 of Title 46.2.

4049 If a vehicle becomes a qualified highway vehicle before the end of its registration period, the fee
4050 due at the time the vehicle becomes a qualified highway vehicle shall be prorated monthly to the

4051 registration expiration month. Fees paid under this subsection shall not be refunded unless a full refund of
4052 the registration fee paid is authorized by law.

4053 ~~D. 1. Except as provided in subdivision 2, all~~ All taxes and fees paid under the provisions of this
4054 chapter shall be credited to the ~~Highway Maintenance and Operating Fund established pursuant to § 33.2-~~
4055 ~~1530, a special fund within~~ deposited into the Commonwealth Transportation Fund established pursuant
4056 to § 33.2-1524.

4057 ~~2. The net additional revenues generated by this section pursuant to enactments of the 2019 Session~~
4058 ~~of the General Assembly shall be deposited as follows: (i) an amount equal to such net revenues multiplied~~
4059 ~~by a ratio of the vehicle miles traveled on Interstate 81 by vehicles classified as Class 6 or higher by the~~
4060 ~~Federal Highway Administration to the total vehicle miles traveled on all interstate highways in the~~
4061 ~~Commonwealth by vehicles classified as Class 6 or higher by the Federal Highway Administration into~~
4062 ~~the Interstate 81 Corridor Improvement Fund established pursuant to § 33.2-3601; (ii) an amount equal to~~
4063 ~~such net revenues multiplied by a ratio of the vehicle miles traveled on the portion of interstate highways~~
4064 ~~located within the boundaries of Planning District 8 by vehicles classified as Class 6 or higher by the~~
4065 ~~Federal Highway Administration to total vehicle miles traveled on all interstate highways in the~~
4066 ~~Commonwealth by vehicles classified as Class 6 or higher by the Federal Highway Administration into~~
4067 ~~the Northern Virginia Transportation Authority Fund established pursuant to § 33.2-2509; and (iii) all~~
4068 ~~remaining net revenues to the Commonwealth Transportation Board for use for operational improvements~~
4069 ~~and other enhancements to improve the safety and reliability of, and travel flow along, interstate highway~~
4070 ~~corridors in the Commonwealth. The Board shall ensure that for any interstate highway with more than~~
4071 ~~10 percent of total interstate truck vehicle miles traveled that the total long-term expenditure for each such~~
4072 ~~interstate highway is approximately equal to the proportional revenue subject to clause (iii) that is~~
4073 ~~attributable to such interstate highway. For purposes of this subdivision, "net additional revenues" means~~
4074 ~~the additional revenues generated by this section pursuant to enactments of the 2019 Session of the General~~
4075 ~~Assembly, minus any refunds or remittances required to be paid.~~

4076 **2. That the General Assembly finds that the completion of Corridor Q of the Appalachian**
4077 **Development Highway System is required to provide an adequate, modern, safe, and efficient**

4078 highway that will further the economic development needs and economic growth potential of south-
4079 central and southwest Virginia.

4080 3. That § 2 of the first enactment of Chapter 8 of the Acts of Assembly of 1989, Special Session II,
4081 as amended by the second enactment of Chapter 538 of the Acts of Assembly of 1999 and by the
4082 first enactment of Chapter 296 of the Acts of Assembly of 2013, is amended and reenacted as follows:

4083 § 2. The Commonwealth Transportation Board is hereby authorized, by and with the consent of
4084 the Governor, to issue, pursuant to the provisions of ~~§§ 33.1-267 through 33.1-295~~ the Transportation
4085 Development and Revenue Bond Act (§ 33.2-1700 et seq.) of the Code of Virginia, at one time or from
4086 time to time, bonds of the Commonwealth to be designated "Commonwealth of Virginia Transportation
4087 Revenue Bonds, Series, " in an aggregate principal amount not exceeding \$1,300,000,000, to finance
4088 the cost of the project plus an amount for the issuance costs, reserve funds, and other financing expenses.
4089 However, the additional amount of bonds that may be issued solely because of the amendments to this
4090 section by the 2013 Session of the General Assembly may be issued only if the debt service of such bonds
4091 can be met solely with the revenues provided to the Route 58 Corridor Development Fund pursuant to the
4092 provisions of § 58.1-815 of the Code of Virginia. The proceeds of such bonds shall be used exclusively
4093 for the purpose of providing funds, with any other available funds, for paying all costs incurred or to be
4094 incurred for the construction of an adequate, modern, safe, and efficient highway system, generally along
4095 Virginia's southern boundary and which comprises the U.S. Route 58 Corridor Development Program as
4096 established in ~~§ 33.1-221.1-2~~ § 33.2-2301, consisting of the environmental and engineering studies, rights-
4097 of-way acquisition, construction and related improvements (the Project).

4098 Of the \$104.3 million increase in bond issuance authorized by the 1999 Session of the General
4099 Assembly, \$82 million shall be issued for portions of the Project as follows:

a	Portion of the Project	Bond amount
b	Ben Hur to Pennington Gap in Lee County	\$9,800,000
c	Pennington Gap to Dryden in Lee County	\$35,600,000

d	Anticipated shortfall on the Danville Bypass, Clarksville Bypass, Stuart Bypass, and completion of a gap west of Jonesville in Lee County	\$35,100,000
e	Taylors Valley in Washington County	\$1,500,000
f	Total	\$82,000,000

4100 The remaining balance of the bond issuance in the amount of \$22.3 million, together with any
4101 bond issuance not necessary to complete the above projects, shall be issued for right-of-way acquisition
4102 from the Town of Stuart, in Patrick County along the Route 58 corridor to its intersection with Interstate
4103 77 in Carroll County.

4104 Beginning July 1, 2013, completion of the following portions of the Project shall have priority
4105 over any other portions of the Project:

4106 Crooked Oak Section
4107 ROW Acquisition
4108 Utility Relocation
4109 Permitting and Mitigation
4110 Design
4111 Construction and Inspection
4112 Vesta Section
4113 ROW Acquisition
4114 Utility Relocation
4115 Permitting and Mitigation
4116 Design
4117 Construction and Inspection
4118 Lover's Leap Section
4119 ROW Acquisition
4120 Utility Relocation
4121 Permitting and Mitigation

4122 Design
4123 Construction and Inspection
4124 Final Section of Corridor Q
4125 ROW Acquisition
4126 Utility Relocation
4127 Permitting and Mitigation
4128 Design
4129 Construction and Inspection

4130 Of the foregoing four sections of the Project, construction of the Lover's Leap Section shall have
4131 priority over construction of the other three sections. However, construction of these other three sections
4132 may proceed simultaneously with the construction of the Lover's Leap Section if such simultaneous
4133 construction does not delay construction of the Lover's Leap Section.

4134 Such revenue bonds shall be issued by the Commonwealth Transportation Board and sold through
4135 the Treasury Board, which is hereby designated the sales and paying agent of the Commonwealth
4136 Transportation Board with respect to such bonds. The Treasury Board's duties shall include the approval
4137 of the terms and structure of the bonds.

4138 **4. That §§ 33.2-1601, 33.2-1603, 46.2-702.1 and 46.2-702.1:1, 58.1-2217.1, and 58.1-2295.1 of the**
4139 **Code of Virginia are repealed.**

4140 **5. That the fifth enactments of Chapters 837 and 846 of the Acts of Assembly of 2019 are repealed.**

4141 **6. That the provisions of §§ 18.2-323.1, 46.2-694, 46.2-697, 46.2-1078.1, and 46.2-1094 of the Code of**
4142 **Virginia, as amended by this act, shall become effective on July 1, 2021.**

4143 **7. That the chairmen of the House Committee for Courts of Justice and the Senate Committee on**
4144 **the Judiciary shall annually request the Office of the Executive Secretary of the Supreme Court of**
4145 **Virginia to report all of the citations issues pursuant to the provisions of this act and, to the extent**
4146 **available, the relevant demographic characteristics of those persons issued a citation.**

4147 **8. That the provisions of § 46.2-773 of the Code of Virginia, as created by this act, shall become**
4148 **effective on July 1, 2022.**

4149 9. That the Commissioner of the Department of Motor Vehicles shall convene a working group to
4150 assist the Department of Motor Vehicles in the development of the mileage-based user fee
4151 authorized pursuant to § 46.2-773 of the Code of Virginia, as created by this act. In developing
4152 recommendations, the working group shall consider (i) the protection of all personally identifiable
4153 information that may be divulged in the reporting of highway usage; (ii) methods to record and
4154 report highway usage; (iii) the administration of the program, including the collection of fees for
4155 highway usage; and (iv) other issues identified by the Commissioner of the Department of Motor
4156 Vehicles. The Commissioner of the Department of Motor Vehicles shall issue an interim report no
4157 later than July 1, 2021, and a final report no later than December 15, 2021, on the findings of the
4158 working group. The Commissioner of the Department of Motor Vehicles shall issue guidelines for
4159 the program no later than May 15, 2022. Such guidelines shall not be subject to the Administrative
4160 Process Act (§ 2.2-4000 et seq. of the Code of Virginia).

4161 10. That the Department of Motor Vehicles may refund the difference between the annual
4162 registration fee received for a multi-year registration prior to July 1, 2021 and the annual
4163 registration fee in effect on and after July 1, 2021, for any 12-month or 24-month unexpired period
4164 of the multi-year registration occurring entirely after July 1, 2021. Refunds issued shall be made
4165 without requiring the return of the license plates to the Department.

4166 11. That the reduction in the registration fees imposed pursuant to subsection A of § 46.2-697 of the
4167 Code of Virginia, as amended by this act, shall be deemed to have eliminated any increase in the
4168 registration fees imposed by Chapter 896 of the Acts of Assembly of 2007.

4169 12. That the prioritization process established pursuant to subsection C of § 33.2-373 of the Code of
4170 Virginia, as added by this act, shall not apply to projects and strategies included or identified in the
4171 Interstate 81 Corridor Improvement Plan adopted by the Commonwealth Transportation Board
4172 on December 5, 2018.

4173 13. That the initial terms for members of the Board of the Virginia Passenger Rail Authority shall
4174 be staggered as follows: (i) of the members appointed pursuant to subdivision A 2 of § 33.2-291 of
4175 the Code of Virginia, as added by this act, one shall be for a term of one year and one shall be for a

4176 term of three years; (ii) of the members appointed pursuant to subdivision A 3 of § 33.2-291, one
4177 shall be for a term of one year and one shall be for a term of three years; (iii) of the members
4178 appointed pursuant to subdivision A 1 of § 33.2-291, one shall be appointed for a term of two years;
4179 (iv) the members appointed pursuant to subdivision A 4 of § 33.2-291 shall be appointed for a term
4180 of two years; and (v) all other members shall be appointed for a term of four years.

4181 14. That the provisions of this act generating additional state revenue for transportation shall expire
4182 on December 31 of any year in which the General Assembly appropriates or transfers any of such
4183 additional revenues for any non-transportation-related purposes.

4184 15. That the General Assembly has determined that the development, expansion and continuation
4185 of commuter and intercity passenger rail service and the development of rail infrastructure, rolling
4186 stock, and support facilities to support commuter and intercity passenger rail service are important
4187 elements of a balanced transportation system in the Commonwealth and are essential to the
4188 Commonwealth's continued economic growth, vitality and competitiveness in national and world
4189 markets; and that, in pursuit of the development, expansion and continuation of commuter and
4190 intercity passenger rail service, the Commonwealth is pursuing various rail and other infrastructure
4191 improvements leading into Washington, D.C., from Virginia, including a new bridge structure that
4192 crosses the Potomac River between Arlington County and the District of Columbia in the vicinity
4193 of the 14th Street Bridge complex and the Metro Fenwick Bridge and which may include, in addition
4194 to the river crossing, reasonably related new track approaches to the new bridge, as well as property
4195 acquisition and upgrades to the existing tracks on the Virginia and the Washington, D.C. sides of
4196 the new bridge; and new Metrorail related improvements to, and serving, the Rosslyn Metrorail
4197 station in Arlington County that would facilitate the movement of passengers and relieve train
4198 congestion on the Blue, Orange, and Silver Metrorail lines, and which may include a new platform
4199 and station, pedestrian connections to the existing Rosslyn Metrorail station, and a future new
4200 extension of Metrorail under the Potomac River (the "Rail Improvements"); and that, the
4201 Commonwealth, through either or both of the Virginia Department of Rail and Public
4202 Transportation and the Virginia Passenger Rail Authority or such other Commonwealth agency or

4203 political subdivision as the General Assembly may authorize, will own the network of Rail
4204 Improvements and the various rail facilities, structures and equipment constructed or acquired in
4205 connection therewith Network”) and may partner with one or more passenger or commuter rail
4206 service providers, including but not limited to Amtrak and the owners and operators of Virginia
4207 Rail Express, to deliver enhanced and reliable passenger rail service throughout the Rail Network;
4208 and that, the Commonwealth, through the Virginia Department of Transportation, owns and
4209 operates the tolled express lanes comprising part of the Transform 66 Inside the Beltway express
4210 lanes project (the “Inside the Beltway Express Lanes”) and the revenues therefrom are intended to
4211 be applied to pay for transportation and other infrastructure improvements in and around the I-66
4212 corridor; and that, the General Assembly desires to authorize the incurrence of obligations secured,
4213 in part, by a pledge of certain net toll revenues from the Inside the Beltway Express Lanes collected
4214 by the Commonwealth and appropriated by the General Assembly, to finance the costs of (i)
4215 acquiring, constructing, renovating, expanding, enlarging, improving, installing and equipping the
4216 Rail Improvements and the various rail facilities, structures and equipment constructed or acquired
4217 in connection therewith; (ii) acquiring any lands, structures, fixtures, rights-of-way, franchises,
4218 easements and other property rights and interests related to the Rail Improvements; and (iii)
4219 demolishing, removing or relocating any buildings, structures or fixtures on lands acquired for the
4220 Rail Improvements.

4221 **16. §1. Commonwealth of Virginia Passenger Rail Facilities Bond Act of 2020.**

4222 This act shall be known and may be cited as the "Commonwealth of Virginia Passenger Rail
4223 Facilities Bond Act of 2020" (the Act).

4224 § 2. Authorization of bonds and bond anticipation notes.

4225 The Commonwealth Transportation Board (the Transportation Board) is hereby authorized, by and
4226 with the consent of the Governor, to sell and issue, pursuant to Article X, Section 9 (d) of the Constitution
4227 of Virginia, at one time or from time to time, bonds of the Commonwealth, to be designated
4228 "Commonwealth of Virginia Passenger Rail Facilities Bonds, Series " in an aggregate principal amount
4229 not exceeding \$1 billion, plus amounts needed to fund issuance costs, reserve funds, capitalized interest,

4230 and other financing expenses. The Transportation Board is further hereby authorized, by and with the
4231 consent of the Governor, to borrow money in anticipation of the issuance of bonds by the issuance of bond
4232 anticipation notes (BANs), including BANs issued as commercial paper. The proceeds of such bonds and
4233 BANs, excluding amounts needed to fund issuance costs, reserve funds, capitalized interest, and other
4234 financing expenses, shall be used exclusively for the purpose of providing funds, together with any other
4235 available funds made available by the Transportation Board, the Virginia Department of Rail and Public
4236 Transportation, and the Virginia Passenger Rail Authority, to pay all or a portion of the costs of (i)
4237 acquiring, constructing, renovating, expanding, enlarging, improving, installing, and equipping the Rail
4238 Improvements, as defined in the fifteenth enactment of this act, and the various rail facilities, structures,
4239 and equipment constructed or acquired in connection therewith; (ii) acquiring any lands, structures,
4240 fixtures, rights-of-way, franchises, easements, and other property rights and interests related to the Rail
4241 Improvements; and (iii) demolishing, removing, or relocating any buildings, structures, or fixtures on
4242 lands acquired for the Rail Improvements (any of which may be referred to as an "authorized capital
4243 project").

4244 § 3. Deposit and application of proceeds.

4245 The proceeds, including any premium, of bonds and BANs (except the proceeds of (i) bonds the
4246 issuance of which has been anticipated by BANs, (ii) refunding bonds, and (iii) refunding BANs), shall
4247 be deposited in a special capital outlay fund in the state treasury or may be placed with a trustee, and,
4248 together with the investment income thereon, shall be disbursed for paying all or any part of the costs of
4249 an authorized capital project, including financing costs. The proceeds of (a) bonds the issuance of which
4250 has been anticipated by BANs, (b) refunding bonds, and (c) refunding BANs shall be used to pay such
4251 BANs, refunded bonds, and refunded BANs.

4252 § 4. Details, sale of bonds and BANs.

4253 The terms and structure of each issue of bonds and BANs shall be determined by the Transportation
4254 Board, subject to approval of the Treasury Board if required by the provisions of § 2.2-2416 of the Code
4255 of Virginia. The bonds and BANs shall be dated, and may be made redeemable before their maturity or
4256 maturities at such price or prices or within such price parameters, all as may be determined by the

4257 Transportation Board. Bonds and BANs shall be in such form, shall bear interest at such rate or rates,
4258 either at fixed rates or at rates established by formula or other method, and may contain such other
4259 provisions, including senior and subordinate lien priorities on the pledged toll revenues as provided in §
4260 7, with respect to such bonds and BANs, all as determined by the Transportation Board. The principal of
4261 and premium, if any, and the interest on bonds and BANs shall be payable in lawful money of the United
4262 States of America. Bonds and BANs may be certificated or uncertificated as determined by the
4263 Transportation Board. The Transportation Board may contract for services of such registrars, transfer
4264 agents, or other authenticating agents as it deems appropriate to maintain a record of the persons entitled
4265 to the bonds and BANs. Bonds and BANs issued in certificated form may be issued under a system of
4266 book entry for recording the ownership and transfer of ownership of rights to receive payments on the
4267 bonds and BANs. The Treasury Board shall fix the authorized denomination or denominations of the
4268 bonds and the place or places of payment of certificated bonds and BANs, which may be at the Office of
4269 the State Treasurer or at any bank or trust company within or without the Commonwealth. Bonds shall
4270 mature at such time or times not exceeding 39 years from their date or dates, and BANs shall mature at
4271 such time or times not exceeding five years from their date or dates.

4272 The Transportation Board may sell bonds and BANs at one time or from time to time, at public or
4273 private sale, by competitive bidding, negotiated sale, or private placement with private lenders or
4274 governmental lenders, and for such price or prices, all as it may determine to be in the best interest of the
4275 Commonwealth.

4276 § 5. Execution of bonds and BANs.

4277 The bonds and BANs shall be signed on behalf of the Transportation Board by the chairman or
4278 vice-chairman of the Transportation Board, or shall bear the facsimile signature of such officer, and shall
4279 bear the official seal of the Transportation Board, which shall be attested by the manual or facsimile
4280 signature of the secretary or assistant secretary of the Transportation Board. In the event that the bonds or
4281 BANs shall bear the facsimile signature of the chairman or vice-chairman of the Transportation Board,
4282 such bonds or BANs shall be signed by such administrative assistant as the chairman of the Transportation
4283 Board shall determine or by any registrar or paying agent that may be designated by the Transportation

4284 Board. If any officer whose signature or facsimile signature appears on any bonds or BANs ceases to be
4285 such officer before delivery, such signature or facsimile signature shall nevertheless be valid and sufficient
4286 for all purposes the same as if such officer had remained in office until such delivery.

4287 § 6. Sources for payment of expenses.

4288 All expenses incurred under this act or in connection with the issuance of bonds or BANs shall be
4289 paid from the proceeds of bonds or BANs or from other available funds as the Transportation Board shall
4290 determine.

4291 § 7. Revenues.

4292 The Transportation Board is hereby authorized (i) to fix, revise, charge, and collect tolls, rates,
4293 fees, and charges for or in connection with the use, occupancy, and services of the Inside the Beltway
4294 Express Lanes, as defined in the fifteenth enactment of this act, in amounts sufficient to provide for the
4295 operating costs of the Inside the Beltway Express Lanes tolling facilities and to provide for the payment
4296 of the principal of and the premium, if any, and interest on the bonds and BANs and the debt service and
4297 sinking funds and reserves established as provided below and (ii) to pledge to the payment of the bonds
4298 or any portion thereof or BANs issued to finance or refinance the Rail Improvements the net revenues
4299 resulting from such tolls, rates, fees, and charges and remaining after payment of expenses incurred in
4300 operating the Inside the Beltway Express Lanes tolling facilities (the Toll Revenues). The Transportation
4301 Board is further authorized to create debt service and sinking funds for the payments of the principal of
4302 and premium, if any, and interest on the bonds and BANs and other reserves required by any of the
4303 purchasers.

4304 § 8. Investments and contracts.

4305 A. Pending the application of the proceeds of the bonds or BANs (including refunding bonds and
4306 BANs) to the purpose for which they have been authorized and the application of funds set aside for the
4307 purpose to the payment of bonds or BANs, they may be invested by the State Treasurer or by a trustee in
4308 securities that are legal investments under the laws of the Commonwealth for public funds and sinking
4309 funds, as the case may be. Whenever the State Treasurer or trustee receives interest from the investment

of the proceeds of bonds or any BANs, such interest shall become a part of the principal of the bonds and any BANs and shall be used in the same manner as required for principal of the bonds or BANs.

B. The Commonwealth may enter into any contract or other arrangement that is determined to be necessary or appropriate to place the obligation or investment of the Commonwealth, as represented by bonds, BANs, or investments, in whole or in part, on the interest rate, cash flow, or other basis desired by the Commonwealth. Such contract or other arrangement may include, without limitation, contracts commonly known as interest rate swap agreements and futures or contracts providing for payments based on levels of, or changes in, interest rates. These contracts or arrangements may be entered into by the Commonwealth in connection with, incidental to, entering into, or maintaining, any (i) agreement that secures bonds or BANs or (ii) investment, or contract providing for investment, otherwise authorized by law. These contracts and arrangements may contain such payment, security, default, remedy, and other terms and conditions as determined by the Commonwealth, after giving due consideration to the creditworthiness of the counterparty or other obligated party, including any rating by any nationally recognized rating agency, and any other criteria as may be appropriate. The determinations referred to in this subsection may be made by the Treasury Board or any public funds manager with professional investment capabilities duly authorized by the Treasury Board to make such determinations.

C. Any money set aside and pledged to secure payments of bonds, BANs, or any of the contracts entered into pursuant to this section may be invested in accordance with subsection A and may be pledged to and used to service any of the contracts or other arrangements entered into pursuant to subsection B.

§ 9. Security for bonds and BANs.

Subject to appropriation by the General Assembly of such amounts, the Toll Revenues are hereby irrevocably pledged for the payment of the principal of and premium, if any, and interest on bonds and BANs issued under this act. The proceeds of (i) bonds the issuance of which has been anticipated by BANs, (ii) refunding bonds, and (iii) refunding BANs are hereby irrevocably pledged for the payment of principal of and premium, if any, and interest on the BANs or bonds to be paid or redeemed thereby. Nothing in this act or the bonds or BANs shall be deemed to create or constitute a pledge of the faith and credit of the Commonwealth or any political subdivision thereof.

4337 § 10. Exemption of interest from tax.

4338 The bonds and BANs issued under the provisions of this act, their transfer and the income
4339 therefrom, including any profit made on the sale thereof, shall at all times be free and exempt from taxation
4340 by the Commonwealth and by any county, city, or town, or other political subdivision thereof. The
4341 Transportation Board is authorized to take or refrain from taking any and all actions and to covenant to
4342 such effect, and to require the Transportation Board, the Virginia Department of Rail and Public
4343 Transportation, and the Virginia Passenger Rail Authority to do and to covenant likewise, to the extent
4344 that, in the judgment of the Transportation Board, it is appropriate in order that interest on the bonds and
4345 BANs may be exempt from federal income tax. Alternatively, interest on bonds and BANs may be made
4346 subject to inclusion in gross income of the holders thereof for federal income tax purposes.

4347 § 11. Refunding bonds and BANs.

4348 The Transportation Board is authorized, by and with the consent of the Governor, to sell and issue,
4349 at one time or from time to time, refunding bonds and BANs of the Commonwealth and to refund any or
4350 all of the bonds and BANs, respectively, issued under this act. Refunding bonds and BANs may be issued
4351 in a principal amount up to the amount necessary to pay at maturity or redeem the bonds and BANs to be
4352 refunded and pay all issuance costs and other financing expenses of the refunding. Such refunding bonds
4353 and BANs may be issued whether or not the obligations to be refunded are then subject to redemption.

4354 § 12. Defeasance.

4355 Any bond or BAN for which cash or direct obligations of the United States of America shall have
4356 been set aside in escrow with the State Treasurer or a bank or trust company, within or without the
4357 Commonwealth, shall be deemed no longer outstanding under the applicable authorizing instrument, this
4358 act, and Article X, Section 9 (d) of the Constitution of Virginia.

4359 § 13. Legal investments.

4360 All obligations issued under the provisions of this act are hereby made securities in which all public
4361 officers and bodies of the Commonwealth and political subdivisions thereof, insurance companies and
4362 associations, savings banks and savings institutions, including savings and loan associations, trust

4363 companies, beneficial and benevolent associations, administrators, guardians, executors, trustees, and
4364 other fiduciaries in the Commonwealth may properly and legally invest funds under their control.

4365 § 14. Severability.

4366 The provisions of this act or the application thereof to any person or circumstances that are held
4367 invalid shall not affect the validity of other provisions or applications of this act which can be given effect
4368 without the invalid provisions or applications.

4369 § 15. Appropriation.

4370 The proceeds of the bonds are hereby appropriated for disbursement from the state treasury
4371 pursuant to Article X, Section 7 of the Constitution of Virginia and § 2.2-1819 of the Code of Virginia.
4372 The general conditions and general provisions of the general appropriation act enacted pursuant to Chapter
4373 15 (§ 2.2-1500 et seq.) of Title 2.2 of the Code of Virginia, as such general appropriation act may be
4374 amended from time to time, and all of the terms and conditions contained therein shall apply to the
4375 authorized capital project described in this act.

4376 **17. §1. Commonwealth Transportation Interstate 81 Corridor Bond Act of 2020.**

4377 This act shall be known and may be cited as the "Commonwealth Transportation Interstate 81
4378 Corridor Bond Act of 2020."

4379 § 2. Definitions.

4380 "Act" means the Commonwealth Transportation Interstate 81 Corridor Bond Act of 2020.

4381 "Board" means the Commonwealth Transportation Board established pursuant to Article 1 (§ 33.2-
4382 200 et seq.) of Chapter 2 of Title 33.2 of the Code of Virginia.

4383 "Bond" means a bond, a note, a credit facility, an anticipatory borrowing, and any other evidence
4384 of indebtedness issued pursuant to the provisions of the Act. A bond may contain any designation
4385 appropriate to the debt instrument.

4386 "Bond Act" means Chapter 17 (§ 33.2-1700 et seq.) of Title 33.2 of the Code of Virginia and any
4387 amendments thereto.

4388 "Fund" means the same as such term is defined in § 33.2-3600 of the Code of Virginia.

4389 "Plan" means the same as such term is defined in § 33.2-3600 of the Code of Virginia.

4390 "Program" means the same as such term is defined in § 33.2-3600 of the Code of Virginia.

4391 § 3. Authorization of bonds and bond anticipation notes.

4392 The Board is hereby authorized, by and with the consent of the Governor, to issue, pursuant to the
4393 provisions of the Bond Act, revenue obligations of the Commonwealth, to be designated "Commonwealth
4394 of Virginia Interstate 81 Corridor Program Revenue Bonds, Series". The Board may issue bonds in
4395 one or multiple issues, provided that the aggregate principal amount does not exceed \$1 billion after all
4396 costs. Such amount shall include amounts needed to fund issuance costs, reserve funds, capitalized
4397 interest, and other financing expenses, but shall exclude any refunding bonds. Such aggregate principal
4398 amount shall not include the principal amount of any bonds issued to refund prior obligations issued under
4399 this Act and shall not include any pre-project completion interest that may be converted to principal in
4400 connection with any federal program borrowing undertaken pursuant to subsection D of § 6.

4401 § 4. The Board shall use the proceeds of any bonds, including any premium received on the sale
4402 thereof, for the exclusive purpose of paying costs incurred or to be incurred in relation to the Plan and the
4403 Program. Such costs may include payment of bond interest during and after the construction of
4404 transportation improvements, as determined by the Board. Such costs may include expenditures for:

4405 1. Environmental and engineering studies;

4406 2. Acquisition of rights of way;

4407 3. Improvements to any existing mode of transportation;

4408 4. Acquisition of real and personal property;

4409 5. Construction of new modes of transportation and improvements thereto;

4410 6. Contributions to reserve funds;

4411 7. Any financing expenses; and

4412 8. Any purpose the Board deems necessary to implementing the Plan and the Program.

4413 § 5. The Board shall make proceeds of the bonds available to pay costs for the purposes identified
4414 in § 4, or to refund previously issued bonds providing funds to pay for the purposes identified in § 4. The
4415 Board may make payments to any authority, commission, locality, or other entity of the Commonwealth
4416 for purposes of paying such entity's costs related to transportation projects. The Board shall use bond

4417 proceeds together with any federal, local, or private funds that may be made available for similar purposes.
4418 The Board may use proceeds from the bonds, together with any investment earnings from such bonds, to
4419 secure the payment of principal or the purchase price and redemption premium, if any, and interest on the
4420 bonds.

4421 § 6. A. The Board shall determine the terms and structure of each issue of bonds, provided that its
4422 determination shall be subject to approval by the Treasury Board in accordance with § 2.2-2416 of the
4423 Code of Virginia and any amendments thereto. The bonds of each issue shall:

4424 1. Be dated;
4425 2. Be issued in a principal amount subject to the limitations identified in § 3;
4426 3. Bear interest at an identified rate or rates, which may be fixed, adjustable, variable, or a
4427 combination thereof and which may be determine according to a formula or other method;

4428 4. Mature at a time or times not exceeding 39 years from the date of issue, except as provided in
4429 subsection D; and

4430 5. Be issued under a system of book entry for recording the ownership and transfer of ownership
4431 of rights to receive payments of principal or purchase price and redemption premium, if any, and interest
4432 on such bonds.

4433 B. The Board may determine that bonds be made subject to purchase or redemption before their
4434 maturity or maturities, at such price or prices and under such terms and conditions it deems appropriate.
4435 The Board shall:

4436 1. Determine the form of the bonds;
4437 2. Determine whether the bonds are certificated or uncertificated;
4438 3. Fix the authorized denomination of the bonds, provided that interest on the bonds shall be made
4439 payable in lawful money of the United States; and

4440 4. Fix the place or places of payment of the bonds' principal, purchase price, redemption premium,
4441 if any, and interest, provided that such place may be the office of the State Treasurer or any bank or trust
4442 company in the United States.

4443 C. All bonds issued under the Act shall have, as between successive holders, all the qualities and
4444 incidents of negotiable instruments under the Commonwealth's negotiable instruments laws.

4445 D. Notwithstanding the maturity limitation prescribed in subdivision A 4, if the Board enters into
4446 an agreement with the authorization of the U.S. Department of Transportation pursuant to the provisions
4447 of subdivision 18 of § 33.2-1701 of the Code of Virginia, any loan, credit facility, or other borrowing that
4448 occurs under such agreement, including any advancement under a line of credit or lending program with
4449 an individualized prepayment schedule, shall not exceed 39 years from the first scheduled payment of
4450 principal. The first scheduled payment of principal shall be not more than five years from the initial
4451 advancement of funds under such loan, credit facility, line of credit, or other borrowing.

4452 E. The Board may sell bonds from time to time at public or private sale for such price or prices as
4453 it determines to be in the best interest of the Commonwealth. The Board may sell bonds by competitive
4454 bidding, negotiated sale, or private placement with private lenders or governmental agencies.

4455 § 7. A. Any bonds issued pursuant to this act shall (i) be signed on behalf of the Board by the
4456 chairman or vice-chairman of the Board or shall bear the facsimile signature of such officer and (ii) bear
4457 the official seal of the Board, which shall be attested to by the manual or facsimile signature of the
4458 secretary or assistant secretary of the Board. If a bond bears a facsimile signature pursuant to clause (i),
4459 the bonds shall be signed by a designee of the Board, who may be an administrative assistant, a registrar,
4460 or a paying agent. If an officer whose signature or facsimile signature ceases to be an officer before the
4461 delivery of a bond that he signed, his signature or facsimile signature shall be valid and sufficient for all
4462 purposes as if he had remained an officer until delivery of such bonds.

4463 B. If a loan, line of credit, or other borrowing is not evidenced by a bond, any agreements and
4464 instruments as may be necessary to provide evidence of such loan, line of credit, or other borrowing shall
4465 be signed on behalf of the Board by the chairman or vice-chairman of the Board. Such agreements and
4466 instruments may bear the official seal of the Board. Such agreements and instruments shall be signed by
4467 the secretary or assistant secretary of the Board.

4468 § 8. All expenses incurred under this Act or in connection with any bond issuance shall be paid
4469 from the proceeds of such bonds or from any available funds in the Fund.

4470 § 9. A. The proceeds of the bonds and of any anticipation notes authorized pursuant to the Act
4471 shall be placed by the State Treasurer in a special fund in the State Treasury or placed with a trustee in
4472 accordance with the provisions of § 33.2-1716 of the Code of Virginia and any amendments thereto. Such
4473 proceeds shall be disbursed only for the purpose for which such bonds and anticipation notes were issued.
4474 Proceeds derived from the sale of bonds authorized by this Act shall first be used to pay anticipation notes,
4475 if any were issued in anticipation of the sale of such bonds and renewals of such bonds.

4476 B. Subsection A shall not apply to the proceeds of bonds when the issuance of such bonds has
4477 been anticipated by anticipation notes.

4478 C. In accordance with subsection C of § 33.2-3601 of the Code of Virginia, proceeds of bonds and
4479 the distribution and expenditure of such proceeds shall not reduce the share of federal, state, or local
4480 revenues otherwise available to jurisdictions along the Interstate 81 corridor. Such revenues shall not
4481 affect the calculation of a locality's ability to pay for public education for purposes of determining
4482 appropriations of state revenues to localities for public education.

4483 § 10. The Board may receive any other funds that may be made available to pay costs of projects
4484 related to the Plan and the Program and, subject to appropriation by the General Assembly, may make
4485 available such funds for the payment of the principal, purchase price, and redemption premium, if any,
4486 and interest on bonds authorized under this Act. The Board is authorized to enter into agreements with
4487 any department or agency of the Commonwealth or any other party to allow for such funds, and any other
4488 funds, to be paid into the state treasury, or to a trustee in accordance with the provisions of § 33.2-1716
4489 of the Code of Virginia and any amendments thereto, to pay a part of the costs of such projects, to pay any
4490 costs of issuance, to fund any part of any reserve fund, or to pay the principal or purchase price of, and
4491 redemption premium, if any, and interest on the bonds.

4492 § 11. In connection with the issuance or planned issuance of any bonds, the Board shall establish
4493 a fund either in the state treasury with the cooperation of the State Treasurer, or with a trustee in
4494 accordance with the provisions of § 33.2-1716 of the Code of Virginia and any amendments thereto. Such
4495 fund shall secure and be used for the payments of the bonds to the credit of which there shall be deposited
4496 such amounts, subject to appropriation by the General Assembly, necessary to pay principal, purchase

price of, redemption premium if any, and interest on the bonds, as and when such costs become due and payable. Such costs shall be paid from the revenues deposited into the Interstate 81 Corridor Improvement Fund pursuant to § 58.1-2299.20 of the Code of Virginia derived from the receipt of regional fuels tax levied pursuant to § 58.1-2295.1 of the Code of Virginia.

§ 12. In connection with the issuance or planned issuance of any bonds, the Board may pay any necessary and appropriate support costs, including debt service or deposits to reserve funds, from revenues deposited to the Interstate 81 Corridor Improvement Fund pursuant to § 58.1-2299.20 of the Code of Virginia derived from the receipt of regional fuels tax levied pursuant to § 58.1-2295.1 of the Code of Virginia.

§ 13. The State Treasurer shall invest bond proceeds and moneys in any reserve funds and sinking funds related to bonds in accordance with the provisions of Chapter 18 (§ 2.2-1800 et seq.) of Title 2.2 of the Code of Virginia and any applicable law governing management of funds by a trustee pursuant to § 33.2-1716 of the Code of Virginia, and any amendments thereto.

§ 14. No tax or fee shall be imposed by the Commonwealth, a locality, or any other entity of the Commonwealth on the interest income and profit made on the sale of obligations issued under the provisions of the Act.

§ 15. Any obligation issued under this Act shall be considered a security in which any person and entity identified in § 33.2-1713 of the Code of Virginia may properly and legally invest funds.

§ 16. If any provision of this Act conflicts with a provision of the Bond Act, the provision of this Act shall control.

§ 17. This Act, being necessary for the welfare of the Commonwealth and its inhabitants, shall be liberally construed to effect the purpose of this Act.

§ 18. That should any portion of this Act be held unconstitutional by a court of competent jurisdiction, the remaining portions of this Act shall remain in effect.

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